

**CITY OF CULLMAN**

**RESOLUTION NO. 2026-123**

**WHEREAS**, City of Cullman has been awarded \$750,000.00 in Appalachian Regional Commission (ARC) funds to renovate the former Calvary Apostolic First United Pentecostal Church for the development of the Cullman Community Theater.

**WHEREAS**, the City Council of Cullman recognizes that it is in the City's best interest to accept the above-mentioned grant funds.

**THAT, THE CITY OF CULLMAN** will provide a local cash match of \$750,000.00 plus all administration and architectural fees in support of this project, which was committed by the City Council via Resolution #2025-51 on June 2, 2025.

**NOW, THEREFORE, BE HEREBY RESOLVED**, that the Cullman City Council authorizes Woody Jacobs, Mayor, to sign the ARC Grant Agreements, certifications, assurances, and any other necessary documents required for the implementation of this grant project.

ADOPTED BY THE CITY COUNCIL this the 6<sup>th</sup> day of July, 2026.

\_\_\_\_\_  
President of the City Council

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED BY THE MAYOR this the 6th day of July, 2026.

\_\_\_\_\_  
Mayor

### COUNCIL AGENDA REQUEST

Date: 07/01/2026

Department: Economic Development Name: Pam Leslie

Phone: 256-775-7104 Email: pleslie@cullmanal.gov

Type of request (select all that apply):

- Alcohol License
- Budget Amendment
- Contract Approval
- Public Comment
- Special Event
- Other
- Annexation
- Change Order
- Petition
- Resolution
- Tax Abatement
- Bid Award
- Codification Change
- Proclamations
- Rezoning
- Variance

Reason for Request:

To accept ADECA grant for the performing arts theater

Supporting Documentation:

Attach supporting documentation.

Signature:  Pam Leslie 

Signed by: 812CD833C92840D...

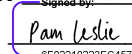
Approval Sequence:

1. Administration – City Clerk’s Office

Verifies form is completed and proper documentation is attached.

Approved to Move Forward  Rejected  Return to Requestor

Comments: \_\_\_\_\_

Signature:  Pam Leslie Date: July 1, 2026 | 1:21 PM CDT

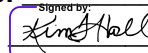
Signed by: 8F02210223EC457...

2. Council Committee Chairperson - Kim Hall

Ensures necessity of the request.

Approved to Move Forward  Rejected  Return to Admin

Comments: \_\_\_\_\_

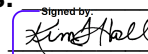
Signature:  Kim Hall Date: July 1, 2026 | 4:23 PM CDT

Signed by: 373F5C72C0C944B...

3. Council President

Approved for Council Agenda  Rejected  Return to Committee

Comments: \_\_\_\_\_

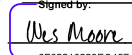
Signature:  Kim Hall Date: July 1, 2026 | 4:26 PM CDT

Signed by: 373F5C72C0C944B...

4. Administration – City Clerk’s Office

Added to Council Agenda Date of Meeting: 07/06/2026

Comments: \_\_\_\_\_

Signature:  Wes Moore Date: 07/01/2026

Signed by: 8F02210223EC457...

STATE OF ALABAMA )  
MONTGOMERY, ALABAMA)

ARC AGREEMENT NO. **AL-22591-2026**

BASIC AGENCY AGREEMENT

This Agreement is effective as of **September 1, 2025**, by and between the **City of Cullman** (Grantee) and the Alabama Department of Economic and Community Affairs (Department).

**Grantee Name:** City of Cullman

**Grantee's Unique Entity ID Number:** C328G8CGHJV5

**Federal Award Identification Number (FAIN):** ARC26C22591

**Federal Award Date:** April 8, 2026

**Grant Performance Start and End Date:** Performance start and end dates will be those specified in the Grant Agreement between the Appalachian Regional Commission and the Grantee.

**Grant Budget Start and End Date:** Budget start and end dates will be those specified in the Grant Agreement between the Appalachian Regional Commission and the Grantee.

**Total Amount of Federal Funds Obligated to the Grantee:** \$750,000.00

**Total Amount of Federal Award:** \$750,000.00

**Federal Award Project Description:** Renovate a former church for the purpose of adding a performing arts venue to the expanding special events district in downtown Cullman.

**Name of Federal Awarding Agency:** Appalachian Regional Commission (ARC)

**Registered State Basic Agency:** Alabama Department of Economic and Community Affairs

**Contact Information for Department Official:** Kenneth W. Boswell, Director, (334) 242-5591

**Identification of Whether the Award is Research and Development:** No

**Indirect Cost Rate for the Federal Award:** N/A

**WITNESSETH THAT:**

WHEREAS, the Appalachian Regional Development Act (ARDA) of 1965 as amended, provides funds to be distributed by the Appalachian Regional Commission (ARC).

WHEREAS, the ARC has authorized the Department to serve as the Registered State Basic Agency (RSBA) for the administration of the ARC grant funds.

NOW THEREFORE, the parties hereto do mutually agree as follows:

The Department hereby agrees to engage the Grantee, and the Grantee hereby agrees to carry out the activities in accordance with the terms set forth in the Agreement and with the conditions and provisions of the Grantee's agreement with ARC.

**A. DEFINITIONS**

Except to the extent modified or supplemented by the Agreement, any term defined in the ARDA of 1965, as amended (40 U.S.C. § 14321), shall have the same meaning when used herein.

1. "Agreement" means this Agreement, as described above and any amendments or supplements hereto.

2. "Grantee" means the entity designated as the recipient of the assistance described in this Basic Agency Agreement and the entity signing the acceptance provisions as Grantee under the Grantee's agreement with the ARC.

3. "Assurances," when capitalized, means the certifications and assurances submitted with the Grantee's grant application pursuant to the requirements of 40 U.S.C. § 14321.

4. "Assistance" provided under this Agreement means the grant awarded by ARC related to this Agreement.

5. "Program" means the community development program, project, or other activities, including the administration thereof, with respect to the assistance related to this Agreement.

**B. SCOPE OF SERVICES**

1. The Grantee agrees to do, perform, and carry out in an expedient, satisfactory and proper manner, as determined by the Department and, in accordance with all Federal, State, and local laws, the work activities and administrative services described in the Grantee's Application (as amended) ARC Grant Project Number **AL-22591-2026** to the Department for financial assistance. The Grantee further agrees that all activities, including contracts or subcontracts for said work, executed, performed, and carried out

under this Agreement shall satisfy all requirements of the Department in accordance with all applicable Federal, State and local laws, including all ARC regulations and requirements, now or hereafter in effect, pertaining to the assistance provided and shall be as described in the Department approved application unless otherwise expressly directed by the Department.

2. Upon execution of this Agreement, the Department agrees to provide to the Grantee the Federal assistance identified in the project description under the authorities of Section 302 of the ARDA of 1965, as amended (40 U.S.C. § 14321). Such assistance is subject to the provisions of the ARDA, the ARC Code and Project Guidelines, the terms and conditions of this Agreement, all applicable laws and regulations, and all other requirements of the Department or ARC now or hereafter in effect.

3. The Department shall not be liable for the failure on the part of the Grantee or any contractor or subcontractor on the project to perform all work in accordance with all applicable laws and regulations.

4. The Grantee agrees to permit and to facilitate review of the work hereunder by the Department in Montgomery or at other places as the Department may determine.

5. The Grantee shall submit to the Department progress and financial reports describing the progress of work under this Agreement semi-annually, or at a greater frequency as requested by the Department or ARC.

### **C. PERSONNEL**

1. It shall be the responsibility of the Grantee when necessary to hire personnel or to contract for the work to be performed as set out in the scope of services. All persons hired or under contract shall be fully qualified and shall be authorized or permitted under State and local law to perform such services.

2. The Grantee shall forward a sampling of all contracts or subcontracts for work or services covered by the Agreement to the Department when requested by the Department.

### **D. METHOD OF PAYMENT**

Procedures for determining costs that are reasonable and allowable in accordance with the provisions of subpart E of 2 C.F.R. Part 200.

The Grantee will be paid in advance, provided that it maintains a cash management plan and maintains (or demonstrates the willingness and ability to maintain) both written procedures that minimize the time elapsing between the transfer of funds and disbursement by the Grantee and financial management systems that meet the standards for fund control and accountability in accordance with 2 C.F.R. § 200.305. If the requested advance exceeds thirty (30) days, the Grantee must provide a written explanation with the

invoice requesting advance funds and is subject to approval by the Department. Source documentation and a follow-up invoice must be submitted to account for the actual expenditures made against advances.

The Grantee will be paid on a reimbursement basis when the above requirements for advances cannot be met, the Federal Awarding agency has a specific condition per 2 C.F.R. § 200.305, or the Grantee requests, in writing, payment by reimbursement.

The Grantee agrees to match the expenditures incurred in the execution of activities stated herein with matching cash or in-kind services as shown in the approved (original or revised) ARC Budget. Payment of funds are subject to and dependent upon the availability of Federal funds awarded to the Department for the program purposes herein stated.

#### **E. CHANGES**

The Department may, from time to time, request changes in the scope of the services of the Grantee to be performed hereunder. Such changes including any increase or decrease in the amount of the Grantee's compensation, which are mutually agreed upon by and between the Department and the Grantee, shall be incorporated in written amendments to this Agreement.

Notwithstanding the above, the Department may, from time to time, approve a revision to the Alabama ARC RSBA Program budget without a formal written amendment to this Agreement. However, for this revision to be valid, it shall be approved by ADECA. In no case shall the revision to the budget change the total grant amount without a formal amendment.

#### **F. RECORDS RETENTION**

1. Financial records, supporting documents, statistical records, and all other non-Federal entity (to include the Department, the Grantee, contractors, and subcontractors) records pertinent to a Federal Grant (to include the ARC project related to this agreement) must be retained for a period of at least seven years from the date of the Department's submission of the final expenditure report on this Grant, or for Federal Grants that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal Awarding agency (ARC) or RSBA in the case of a Grantee.

2. The Grantee is required to keep all records relating to this project under this Agreement for a period of at least seven years past notification by the Department that the project under this Agreement has been closed out or all audit findings related thereto have been resolved, whichever is longer.

3. Records for real property and equipment acquired with Federal funds must be retained for seven years after final disposition.

4. When applicable, all contractors or grantees shall comply with the Alabama Competitive Bid Law (Ala. Code § 41-16-54), which requires that all original bids together with all documents pertaining to the award of a contract shall be retained in accordance with a retention period of at least seven years.

### **G. OMB UNIFORM GUIDANCE FOR FEDERAL AWARDS**

For any and all contracts or grants made by a non-Federal entity under a Federal award, the non-Federal entity must comply with 2 C.F.R. Part 200, the OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, which includes but is not limited to, subpart B, General Provisions; subpart C, Pre-Federal Award Requirements and Contents of Federal Awards; subpart D, Post Federal Award Requirements; subpart E, Cost Principles; subpart F, Audit Requirements; and all accompanying appendices.

### **H. REQUIRED TERMS UNDER 2 C.F.R. § 200.327**

For any and all contracts made by a non-Federal entity under a Federal Award, 2 C.F.R. § 200.327 requires provisions covering the following (as found in Appendix II to Part 200) be included and adhered to as applicable and unless specifically excluded by other Federal regulations:

#### **1. TERMINATION**

A clause addressing a termination for cause and convenience must be included in all contracts in excess of \$10,000. The following provisions apply to termination under this Agreement, whether termination by the Department or by the Grantee. The performance of work under this agreement may be terminated in whole or in part for the following circumstances:

**Termination for Convenience.** This Agreement may be terminated by either party with thirty (30) days' written notice. Said notice shall specify the reasons for requesting such termination. If the Department determines that continuation of the work will serve no useful public purpose, this Agreement may be terminated by the Department and the Grantee shall be entitled to necessary expenses incurred through the date of termination or the date services are last provided, whichever occurs first.

**Termination for Cause.** If, through any cause, the Grantee shall fail to fulfill in a timely manner its obligations under this Agreement, or if the Grantee shall violate any of the covenants, agreements or stipulations of this Agreement, and such failure or violation is not corrected within fifteen (15) days after such notice is given by the Department to the Grantee, the Department shall thereupon have the right to immediately terminate or suspend this Agreement by giving written notice to the Grantee of such termination or suspension and specifying the effective date thereof.

In the event of termination, for either convenience or cause, all property, finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, computer tapes, computer programs, and reports prepared by the Grantee under this Agreement shall, at the option of the Department, and if in accordance with applicable State and Federal regulations, become the property of the Department. The Grantee shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials.

Notwithstanding the above, the Grantee shall not be relieved of liability to the Department for damages sustained by the Department by virtue of any breach of the Agreement by the Grantee, and the Department may withhold any payments to the Grantee for the purpose of setoff until such time as the exact amount of damages due the Department from the Grantee is determined.

## **2. HEARING ON APPEAL**

The Grantee shall have the right to appeal any determination to terminate made by the Department; however, if the Grantee has failed to submit its appeal, in writing, within ten (10) calendar days from written notice of the termination and/or has failed to request and receive approval from the Department for extension of such, then the Grantee shall have no further right of appeal.

A hearing shall be conducted at the Department's offices in Montgomery, Alabama, or any other appropriate location at the Department's discretion, with a written notification of the time, place, and subject matter provided by the Department to the Grantee.

## **3. EQUAL EMPLOYMENT OPPORTUNITY**

In accordance with 41 C.F.R. § 60-1.4(b) and Executive Order 11246 (as amended by Executive Order 11375), for any Federally assisted construction contract as defined by 41 C.F.R. § 60-1.3, contractors, during the performance of this Agreement, hereby agree as follows:

(a) The Grantee will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Grantee will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Grantee agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(b) The Grantee will, in all solicitations or advertisements for employees placed by or on behalf of the Grantee, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(c) The Grantee will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Grantee's legal duty to furnish information.

(d) The Grantee will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Grantee's commitments under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(e) The Grantee will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(f) The Grantee will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(g) In the event of the Grantee's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this Agreement may be canceled, terminated, or suspended in whole or in part and the Grantee may be declared ineligible for further Government contracts or Federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(h) The Grantee will include the portion of the sentence immediately preceding paragraph (a) and the provisions of paragraphs (a) through (h) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Grantee will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the Grantee may request the United States to enter into such litigation to protect the interests of the United States.

The Grantee further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in Federally assisted construction work: Provided, that if the Grantee participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The Grantee agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The Grantee further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and Federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, subpart D of the Executive Order.

In addition, the Grantee agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the Grantee under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such Grantee; and refer the case to the Department of Justice for appropriate legal proceedings.

#### **4. DAVIS-BACON ACT and COPELAND "ANTI-KICKBACK" ACT**

In the event this Agreement is for an amount which exceeds \$2,000 and is a prime construction contract, the Grantee shall comply with the Davis-Bacon Act, 40 U.S.C. § 3141–48, as supplemented by Department of Labor regulations at 29 C.F.R. Part 5, which includes provisions providing for the payment of mechanics and laborers at a rate not less than the prevailing wages specified in a wage determination issued by the United States Secretary of Labor, and provides for the payment of wages to mechanics and laborers not less than once a week. Additionally, for all prime construction contracts in excess of \$2,000, the Grantee shall comply with the Copeland "Anti-Kickback" Act, 40 U.S.C. § 3145, as supplemented by Department of Labor regulations (29 C.F.R. Part 3), which prohibits a contractor or Grantee from inducing any person employed in the construction, completion, or repair of a public work from giving up any compensation to which he or she is entitled to receive. In the event of a suspected or reported violation of either the Davis-Bacon Act or the Copeland "Anti-Kickback" Act, the Department shall report such violation to the Federal awarding agency.

#### **5. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT**

In the event this Agreement is a contract for an amount in excess of \$100,000 and involves the employment of mechanics and laborers, a contractor or Grantee shall comply with the Contract Work Hours and Safety Standards Act, 40 U.S.C. §§ 3701–08, specifically §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. Part 5). Said Act includes provisions which provide that a contractor or Grantee must compute the wages of mechanics and laborers on the basis of a standard 40-hour work week. If an employee works in excess of 40 hours during a work week, the employee must be compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours. Further, neither a laborer nor a mechanic can be required to work in unsanitary, hazardous, or dangerous conditions.

#### **6. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT**

If the Federal Grant meets the definition of "funding agreement" under 37 C.F.R. § 401.2(a) and the Grantee wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the Grantee or Subgrantee must comply with the requirements of 37 C.F.R. Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

#### **7. CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT**

In the event this Agreement or grant award is for an amount in excess of \$150,000, a contractor or Grantee shall comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, 42 U.S.C. §§ 7401–7671q, and the Federal Water

Pollution Control Act, 33 U.S.C. §§ 1251–1387. The Department shall report any suspected or reported violation to the Federal awarding agency and to the Environmental Protection Agency.

## **8. DEBARMENT AND SUSPENSION**

The Grantee is prohibited from using any contractor or subcontractor that has been debarred, suspended, or otherwise excluded from participation in Federal Assistance programs (Executive Orders 12549 and 12689).

The Grantee shall require participants in lower tier covered transactions to include the certification on Government-wide Debarment and Suspension (Non-Procurement) for it and its principals in any proposal submitted in connection with such lower tier covered transactions (See 2 C.F.R. § 180.300). The Excluded Parties List System is available for access from the System for Award Management website at <https://www.sam.gov>.

The Grantee certifies, by entering into this Agreement, that neither it nor its principals nor any of its subcontractors are presently debarred, suspended, proposed from debarment, declared ineligible, or voluntarily excluded from entering into this Agreement by any Federal agency or by any department, agency, or political subdivision of the State. The term “principal” for purposes of this Agreement means an officer, director, owner, partner, key employee, or other person with primary management or supervisory responsibilities, or a person who has a critical influence on or substantive control over the operations of the Grantee.

The Grantee certifies that it has verified the suspension and debarment status for all subcontractors receiving funds under this Agreement and shall be solely responsible for any recoupments or penalties that might arise from non-compliance. Grantee shall immediately notify the Department if any subcontractor becomes debarred or suspended, and shall, at the Department’s request, take all steps required by the Department to terminate its contractual relationship with the subcontractor for work to be performed under this Agreement.

## **9. BYRD ANTI-LOBBYING AMENDMENT**

In the event this Agreement or grant award is for an amount equal to or exceeding \$100,000, a contractor or Grantee shall comply with the Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352, and shall file the required certification. Grantee must certify that neither it nor any of its contractors, if any, have not and will not use Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Grantee and its contractors, if any, also must disclose to ARC and the RSBA any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award.

## **10. PROCUREMENT OF RECOVERED MATERIALS**

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

Pursuant to 2 C.F.R. § 200.323(b), grantees are encouraged, to the extent practicable and permitted by law, to purchase, acquire, or use products and services that can be reused, refurbished, or recycled; contain recycled content, are biobased, or are energy and water efficient; and are sustainable. This may include purchasing compostable items and other products and services that reduce the use of single-use plastic products, in keeping with Executive Order 14057.

## **11. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT**

(a) Grantees are prohibited from obligating or expending grant funds to:

(1) Procure or obtain covered communications equipment or services;

(2) Extend or renew a contract to procure or obtain covered telecommunications equipment or services; or

(3) Enter into a contract (or extend or renew a contract) to procure or obtain covered telecommunications equipment or services.

(b) As described in Section 889 of Pub. L. No. 115-232, "covered telecommunications equipment or services" means any of the following:

(1) Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities);

(2) For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou

Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);

(3) Telecommunications or video surveillance services provided by such entities or using such equipment;

(4) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country;

(c) For the purposes of this section, "covered telecommunications equipment or services" also include systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.

(d) When a subrecipient accepts a grant subaward, it is certifying that it will comply with the prohibition on covered telecommunications equipment and services in 2 C.F.R. § 200.216. The subrecipient is not required to certify that funds will not be expended on covered telecommunications equipment and services beyond the certification provided upon accepting the grant and those provided upon submitting payment requests and financial reports.

## **12. DOMESTIC PREFERENCES FOR PROCUREMENTS**

As appropriate and to the extent consistent with law, the Grantee should, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all contracts and purchase orders for work or products under this award.

For purposes of this section:

(a) "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.

(b) "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

## **I. OTHER CLAUSES**

In addition to the above clauses, a contractor or Grantee agrees with, and shall adhere to, the following:

### **1. TOBACCO SMOKE**

Pub. L. No. 103-227, Title X, Part C, also known as the Pro-Children Act of 1994 (20 U.S.C. § 6083) prohibits smoking in any portion of any indoor facility owned or leased or contracted for by an entity used routinely or regularly for the provision of health, daycare, education, or library services to children under the age of 18 if the services are funded by Federal programs either directly or through state or local governments by Federal grant, contract, loan or loan guarantee.

### **2. DRUG-FREE WORKPLACE REQUIREMENTS**

In accordance with provisions of Title V, Subtitle D of Pub. L. No. 100-690 or No. 111-350 (41 U.S.C. § 8101 et seq.), the Drug-Free Workplace Act of 1988, all grantees must maintain a drug-free workplace and must publish a statement informing employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and establishing the actions that will be taken against employees violating these prohibitions. Failure to comply with these requirements may be cause for debarment.

### **3. TRANSPARENCY ACT**

Awards under Federal programs are included under the provisions of Public Law 109-282, the Federal Funds Accountability and Transparency Act of 2006. Under this statute, the State is required to report information regarding executive compensation and all subawards, contracts and subcontracts in excess of \$30,000 through the Federal Subaward Reporting System (<https://www.fsr.gov>) and in accordance with the terms found in Federal regulations at 2 C.F.R. Part 170, including Appendix A. Therefore, all grantees who meet this threshold will be required to furnish this information to the division within the Department, which is administering the grant. Specific reporting processes will be provided by the applicable Department division to grantees.

### **4. POLITICAL ACTIVITY**

The Grantee shall comply with the Hatch Act, 5 U.S.C. § 1501 et seq., regarding political activity by public employees or those paid with Federal funds. None of the funds, materials, property, or services contributed by the Grantee or the Department under this Agreement shall be used for any partisan political activity or to further the election or defeat of any candidate in public office.

## **5. HUMAN TRAFFICKING PROVISIONS**

This award is subject to the requirements of Section 106(g) of the Trafficking Victims Protection Act of 2000, codified in 22 U.S.C. § 7104.

## **6. PURCHASES OF AMERICAN-MADE EQUIPMENT AND PRODUCTS**

As stated in Section 507 of Pub. L. No. 103-333, it is the sense of Congress that, to the extent practicable, all equipment and product purchases with funds from this Agreement should be American-made.

## **7. MANDATORY DISCLOSURES**

Pursuant to 2 C.F.R. § 200.113, the Grantee must promptly disclose whenever, in a timely manner, in connection with the Federal award (including any activities or subawards thereunder), it has credible evidence of the commission of a violation of Federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 of the United States Code or a violation of the civil False Claims Act (31 U.S.C. 3729–33). The disclosure must be made in writing to the Federal agency, the agency's Office of Inspector General, and the Department. Subrecipients are also required to report matters related to recipient integrity and performance in accordance with Appendix XII of 2 C.F.R. Part 200. Failure to make required disclosures can result in any of the remedies described in 2 C.F.R. § 200.339. (See also 2 C.F.R. Part 180, 31 U.S.C. § 3321, and 41 U.S.C. § 2313.

## **8. NON-APPROPRIATION AND PRORATION AND NOT TO CONSTITUTE A DEBT OF THE STATE**

When funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period, the contract shall be cancelled, and, to the extent permissible by law, the supplier shall be reimbursed for the reasonable value of any non-recurring costs incurred but not amortized in the price of the supplies or services delivered under the contract. To the extent permissible by law, this cost of cancellation may be paid from any appropriations available for that purpose. In the event that proration of appropriated funds from which the State is to pay the supplier is declared by the Governor pursuant to Ala. Code § 41-4-90, the contractor shall have the option, in addition to the other remedies of the contract, of renegotiating the contract to extend or change payment terms or amounts, or terminating the contract. In all circumstances, it is agreed that the terms and commitments of this contract shall not constitute a debt of the State of Alabama in violation of Ala. Const. art. XI, § 213.

## **9. CONFLICTING PROVISION**

If any provision of this Agreement shall contravene any statute or Constitutional provision or amendment, either now in effect or which may, during the course of this Agreement, be enacted, then that conflicting provision in the Agreement shall be deemed null and void.

## **10. IMMUNITY AND DISPUTE RESOLUTION**

The parties to this Agreement recognize and acknowledge that the Department is an instrumentality of the State of Alabama, and as such, is immune from suit pursuant to Ala. Const. art. I, § 14. It is further acknowledged and agreed that none of the provisions and conditions of this Agreement shall be deemed to be or construed to be a waiver by the Department of such Constitutional Immunity.

In the event of any dispute between the parties, senior officials of both parties shall meet and engage in a good faith attempt to resolve the dispute. Should that effort fail, and the dispute involves the payment of money, a party's sole remedy is the filing of a claim with the Board of Adjustment of the State of Alabama.

For any and all other disputes arising under the terms of this Agreement which are not resolved by negotiation, the parties agree to utilize appropriate forms of non-binding alternative dispute resolution including, but not limited to, mediation. Such dispute resolution shall occur in Montgomery, Alabama, utilizing where appropriate, mediators selected from the roster of mediators maintained by the Center for Dispute Resolution of the Alabama State Bar.

## **11. DISCLAIMER**

The Department specifically denies liability for any claim arising out of any act or omission by any person or agency receiving funds from the Department whether by contract, grant, loan, or by any other means.

No grantee, contractor, or agency performing services under any agreement, contract, grant or any other understanding, oral or written, other than an actual employee of the Department, shall be considered an agent or employee of the State of Alabama or the Department or any division thereof. The State of Alabama, the Department, and their agents and employees assume no liability to any Grantee, contractor, agency, or any third party, for any damages to property, both real and personal, or personal injuries, including death, arising out of or in any way connected with the acts or omissions of any grantee, contractor, agency, or any other person.

## **12. ACCESS TO RECORDS**

The Director of the Department, the Comptroller General of the United States (if Federal funds), the Chief Examiner of Public Accounts, or any of their duly authorized representatives shall have the right of access to any pertinent books, documents, papers, and records of the Grantee for the purpose of making audits, financial reviews, examinations, excerpts and transcripts. This right also includes timely and reasonable access to Grantee personnel for the purpose of interview and discussion related to such agreement. This right of access is not limited to the required retention period but shall last as long as the records are retained.

### **13. RIGHT TO AUDIT**

During the term of this Agreement, the Department shall have the right, consistent with applicable Federal and State law and upon reasonable prior notice to a contractor or Grantee, to have access during normal business hours to a contractor or Grantee facilities and systems to monitor and audit contractor administrative, technical, and physical safeguards and compliance with Department policies and the State of Alabama IT Policies and other Federal and State laws.

### **14. ASSIGNABILITY**

The Grantee shall not assign any interest in this Agreement and shall not transfer any interest in the same (whether by assignment or novation) without the prior written consent of the Department thereto. Provided, however, that claims for money due, or to become due to the Grantee from the Department under this Agreement may be assigned to a bank, a trust company, or other financial institution through a valid court order and without such approval. Notice of such assignment or transfer shall be furnished promptly to the Department.

### **15. CONTINGENCY CLAUSE**

It is expressly understood and mutually agreed that any Department commitment of funds herein shall be contingent upon receipt and availability by the Department of funds under the program for which this Agreement is made. If this agreement involves Federal funds, the amount of this Agreement will be adjusted by the amount of any Federal rescissions and/or deferrals.

Payments made by the Department under the terms of this Agreement shall not constitute final approval of documents submitted by the Grantee or of procedures used in formulating requests for payment to the Grantee.

### **16. CONFLICT OF INTEREST**

A conflict of interest, real or apparent, will arise when any of the following has a financial or other interest in the firm or organization selected for award: (1) the individual or a board member of the firm or organization, (2) any member of the individual's immediate family, (3) the individual's partner, or (4) an organization which employs or is about to employ any of the above. The Grantee certifies by signing this Agreement that no person under its employ or control who presently performs functions, duties, or responsibilities in connection with the Department of grant-funded projects or programs has any personal and/or financial interest, direct or indirect, in this Agreement nor will the Grantee hire any person having such conflicting interest. The Grantee further certifies that it will maintain a written code of standards governing the performance of persons engaged in the award and administration of contracts and subawards.

## **17. INDIRECT COST**

In accordance with 2 C.F.R. § 200.332(b)(4) and § 200.414, grantees of Federal awards may charge indirect costs to the award unless statutorily prohibited by the Federal program and in accordance with any applicable administrative caps on Federal funding. The Department will accept a Federally negotiated indirect cost rate. If no approved rate exists, the Department will collaborate with the Grantee to determine an appropriate rate. This rate will be either a negotiated rate, which can be based on a prior negotiated rate between a different pass-through entity and the same Grantee, or the 15% de minimis rate of the modified total direct cost as defined in 2 C.F.R. § 200.1. If basing the rate on a previously negotiated rate, the Department is not required to collect information justifying this rate but may elect to do so. Grantees can allocate and charge direct costs through cost allocation. However, in accordance with 2 C.F.R. § 200.403, costs must be consistently charged as either indirect or direct costs but not charged as both or inconsistently charged to the Federal award. Once chosen, the method must be used consistently for all Federal awards until such time as a negotiated rate is approved by the Grantee's Federal cognizant agency.

## **18. AUDIT REQUIREMENTS**

All grantees of Federal funds must follow the Audit Requirements in the Office of Management and Budget Uniform Administrative Requirements (2 C.F.R. Part 200, subpart F). Grantees that expend \$1,000,000 or more during their fiscal year in Federal awards must have a single or program-specific audit conducted for that year in accordance with the provisions of 2 C.F.R. Part 200. All entities that have a single audit must submit the reporting package and data collection form to the Federal Audit Clearinghouse in accordance with 2 C.F.R. § 200.512. Additionally, if any grantee receives more than \$500,000, collectively, in State General Fund appropriations in its fiscal year, from the Department, it must have an audit in accordance with Government Auditing Standards (the Yellow Book) and Generally Accepted Auditing Standards established by the American Institute of Certified Public Accountants.

Nothing contained in this Agreement shall be construed to mean that the Department cannot utilize its auditors regarding limited scope audits of various Department funds. Audits of this nature shall be planned and carried out in such a way as to avoid duplication or not to exceed the audit coverage limits as stated in the said Uniform Administrative Requirements.

Copies of all required audits must be submitted to the Department and the Alabama Department of Examiners of Public Accounts. Copies may be transmitted by email or traditional mail, at the following addresses:

audit@adeca.alabama.gov

Alabama Department of Economic and  
Community Affairs  
ATTENTION: Chief Auditor  
401 Adams Avenue  
P.O. Box 5690  
Montgomery, AL 36103-5690

central.records@examiners.alabama.gov

Alabama Department of Examiners of  
Public Accounts  
ATTENTION: Audit Report Repository  
P.O. Box 302251  
Montgomery, AL 36130-2251

**19. AUDIT EXCEPTIONS, UNRESOLVED QUESTIONED COSTS,  
OUTSTANDING DEBTS**

The Grantee certifies by signing this Agreement that it does not have any unresolved audit exceptions, unresolved questioned costs or finding of fiscal inadequacy as a result of project monitoring. It further certifies that no money is owed to any division of the Department or to the Federal government under any program where it has not arranged a repayment plan.

**20. SUSPENSION OF PAYMENTS**

Payments under this Agreement may be suspended in the event that there is an outstanding audit exception under any program administered by any division of the Department, or in the event there is an amount owing to any division of the Department, or an amount owing to the Federal government under any program administered by any division of the Department that is not received in a reasonable and timely manner.

Should a contractor or Grantee incur an unresolved audit exception or have unresolved questioned costs or finding of fiscal inadequacy as a result of any project monitoring by any division of the Department, then the Department shall not enter into any other contract, agreement, grant, etc., with said Grantee until the audit exception or questioned cost or finding of fiscal inadequacy has been resolved.

The Department shall not enter into another contract, agreement, grant, etc., with any individual, agency, company, or government under any program administered by any division of the Department that has not arranged a repayment schedule.

**21. DISCLOSURE STATEMENT**

Unless otherwise exempt under Ala. Code § 41-16-82, a disclosure statement must be submitted to the Department for all grant proposals in excess of \$25,000.00 and all proposed contracts that meet or exceed the threshold for bid or other formal solicitations

under Article 5 of Chapter 4 of Title 41 of the Alabama Code or any law requiring formal solicitation procedures for public contracts.

## **22. BUILD AMERICA, BUY AMERICA**

None of the ARC funds provided under this grant award may be used for a project for infrastructure unless: (1) all iron and steel used in the project are produced in the United States — this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States; (2) all manufactured products used in the project are produced in the United States — this means the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation; and (3) all construction materials (excluding cement and cementitious materials, aggregates such as stone, sand, or gravel or aggregate binding agents or additives) are manufactured in the United States — this means that all manufacturing processes for the construction material occurred in the United States.

The definitions provided in the ARC website related to the Buy America are hereby incorporated by reference. The ARC Buy America website is available at <http://www.arc.gov/BuyAmericaGuidelines>.

This Buy America preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

A waiver on the application of the domestic content procurement preference (Buy America) may be available to the ARC grantee when one of the following exceptions are present: (a) the domestic content procurement preference is inconsistent with the public interest; (b) the types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality; or (c) the inclusion of iron, steel, manufacture products, or construction materials produced in the United States will increase the cost of the overall project by more than 25 percent. The grantee will request the domestic content procurement preference (Buy America) waiver in writing and according to the instructions, format, content, and supporting materials described in the ARC Buy America website, available at <http://www.arc.gov/BuyAmericaGuidelines>.

### **23. WHISTLEBLOWER PROTECTIONS**

An employee of a subrecipient must not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a person or body described in paragraph (a)(2) of 41 U.S.C. § 4712 information that the employee reasonably believes is evidence of gross mismanagement of a Federal contract or grant, a gross waste of Federal funds, an abuse of authority relating to a Federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a Federal contract (including the competition for or negotiation of a contract) or grant. The Subrecipient must inform its employees in writing of employee whistleblower rights and protections under 41 U.S.C. § 4712.

### **24. UNIQUE ENTITY IDENTIFIER**

The Grantee must have a Unique Entity Identifier (UEI) registered in SAM.gov to receive a disbursement of grant funds. The Grantee agrees to maintain an active SAM.gov registration with current information at all times while the grant is open. Direct subgrantees of Grantees must obtain a UEI in order to receive funds as a subgrantee (subgrantees of subgrantees are not subject to this requirement). Grantees are responsible for verifying that their subgrantees have a valid UEI. See 2 C.F.R. Part 25.

### **25. REPORTING SUBAWARDS AND EXECUTIVE COMPENSATION**

Grantees that receive a federal grant of \$30,000 or more may be subject to Federal Funding Accountability and Transparency Act (FFATA) reporting requirements (Pub. L. No. 109-282, as amended). FFATA requires Grantees to report data on their executives' compensation and their subawards, if any. Exceptions to FFATA reporting requirements apply in certain circumstances. The Grantee agrees to comply with all applicable FFATA requirements. See 2 C.F.R. Part 170.

### **26. REPORTING MATTERS RELATED TO RECIPIENT INTEGRITY AND PERFORMANCE**

The Grantee is subject to the reporting requirements in Appendix XII of 2 C.F.R. 200 if, for any period of time during the performance of this award, the Grantee has received active grants, cooperative agreements, and procurement contracts from Federal agencies with a total value of over \$10,000,000.00. Please see Appendix XII for more information.

### **27. COMPLIANCE WITH FEDERAL, STATE, AND LOCAL LAWS**

In addition to the provisions provided herein, the Grantee shall be responsible for complying with any and all other applicable laws, ordinances, codes and regulations of the Federal, State and local governments, including, but not limited to, Alabama procurement law (Ala. Code § 41-16-1 et seq.; Ala. Code § 41-4-110 et seq.), the Alabama Public Works Law (Ala. Code § 39-1-1 et seq.), any State permitting requirements, the Alabama Open Meetings Act (Ala. Code § 36-25A-1 et seq.), and the Beason-Hammon Alabama Taxpayer and Citizen Protection Act (Ala. Code § 31-13-1 et seq.).

By signing this Agreement, the parties affirm, for the duration of the Agreement, that they will not violate Federal immigration law or knowingly employ, hire for employment, or continue to employ an unauthorized alien within the State of Alabama. Furthermore, a contracting party found to be in violation of this provision shall be deemed in breach of the agreement and shall be responsible for all damages resulting therefrom.

In compliance with Ala. Code § 41-16-5, the Grantee hereby certifies that it is not currently engaged in and will not engage in the boycott of a person or entity based in or doing business with a jurisdiction with which this State can enjoy open trade.

In compliance with Ala. Code § 41-16-161, by signing this Agreement, the Grantee provides written verification that it does not and will not engage in economic boycotts during the term of the Agreement.

Section 504 of the Rehabilitation Act of 1973 (Pub. L. No. 93-112, 87 Stat. 355), as amended, provides that no otherwise qualified individual shall, solely by reason of his or her handicap, be excluded from participation, including employment; be denied program benefits; or be subjected to discrimination under any program or activity receiving federal funds.

The Grantee will comply with Section 401(b) of the Lead Based Paint Poisoning Prevention Act of 1971 (Pub. L. No. 91-695, 84 Stat. 2079), as amended, and 42 U.S.C. § 4831.

## **28. ADDITIONAL ARC PROGRAM TERMS**

Incorporated herein as part of this Agreement are the Certification and Assurances signed by the Grantee as part of the Alabama Appalachian Regional Commission Registered Basic Agency Program.

The Department and the Grantee will assess or cause to assess the proposed project's impact on the environment, as required by the National Environmental Policy Act (NEPA) and related federal and state acts and regulations. The Department and the Grantee will ensure that Department-administered ARC construction projects will follow established NEPA guidelines as implemented.

The Department and the Grantee will ensure that construction projects that involve the acquisition of real property as a result of an ARC grant comply with the Uniform Relocation Act requirements. Title to equipment purchased with grant funds, and/or real property purchased or improved with grant funds, resides with the Grantee or Subgrantee and their assignees and successors, as applicable. However, it is a conditional title, and the federal government retains a federal interest in the property. The equipment and/or real property must be accounted for during and after the end of the project period according to OMB property standards at 2 C.F.R. 200.310-316. Grantees and Subgrantees, other than state agencies, must also record a notice of federal interest (NFI) in real property purchased or improved with ARC funds and in equipment purchased with ARC funds when the amount of ARC funding provided for the equipment purchase exceeds \$250,000. All Grantees and

Subgrantees purchasing equipment, or purchasing or improving real property, must continue to use the equipment and/or real property in the same or other projects related to objectives of ARC, as approved by ARC. It is the Grantee's responsibility to ensure that the equipment and/or real property is being used primarily for the purposes of the grant and to notify ARC promptly in the event that the equipment and/or real property is no longer being used for such purposes. If the Grantee or Subgrantee wishes to change the use of the equipment and/or real property, or dispose of it or transfer ownership, the Grantee or Subgrantee must contact ARC to request disposition instructions. The federal government is entitled to an amount equal to the value of the ARC share in the property at the time of the change of use, disposal, or transfer of ownership.

The Grantee warrants that it is cognizant of Section 224(b)(1) of the ARDA, which prohibits the use of ARDA funds to assist businesses to relocate from one area to another; and that, further, in keeping with ARC policy, it will not utilize ARDA funds actively to engage in any activity, the purpose of which is to encourage businesses now operating in one state to relocate into another state. No funds provided under this Agreement will be used to publish or distribute material which would solicit such relocation.

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IN WITNESS WHEREOF, The Department and the Grantee have executed this Grant Agreement as evidenced by their signatures below:

ADECA

GRANTEE

Alabama Department of Economic  
and Community Affairs

City of Cullman

  
Kenneth W. Boswell, Director

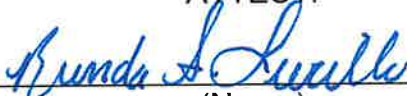
Woody Jacobs, Mayor

6/4/26  
(Date)

(Date)

ATTEST:

ATTEST:

  
(Name)

(Name)

Executive Assistant  
(Title)

(Title)

6/4/2024  
(Date)

(Date)

This contract/grant has been reviewed for content, legal form, and complies with all applicable laws, rules and regulations of the State of Alabama governing these matters.

  
Richard DeWeese  
General Counsel for ADECA