

Partnership Agreement

This Partnership Agreement (the "Agreement") is made as of this 18th day of June 2024, (the "Effective Date") by and between/among:

Apple Springs Water Works Sanitary District, located at 12267 Stagecoach Trl, Sturgis, SD 57785, United States

AND

Clean Water Legacy, located at P.O. Box 591, Rapid City, SD 57709, United States.

1. **Partnership Name and Purpose.** Apple Springs Water Works Sanitary District (ASWWSD) (Lead Applicant) and Clean Water Legacy (CWL) (Statutory Partner) agree to form a partnership under the name of Apple Springs Water Works Sanitary District Clean Water Project (the "Partnership"). The Partnership will be governed in accordance with the laws of the State of South Dakota. The Partnership has been formed on the terms and conditions set forth below to engage in the business of applying for and engaging in, if selected, an Environmental Protection Agency (EPA), Office of Environmental Justice and External Civil Rights (OEJECR), Environmental and Climate Justice Community Change Grant, identified under funding opportunity number EPA-R-OEJECR-OCS-23-04.
2. **Responsibilities and Role of the Lead Applicant.** The Lead Applicant is responsible for:
 - a. The overall management, performance, oversight, and reporting responsibilities under the grant, and for making the subaward to the Collaborating Entities.
 - b. The receipt of federal funds from EPA and the proper expenditure of these funds and will bear liability for unallowable costs.
 - c. The compliance and legal issues, and managing risks associated with the project.The Lead Applicant's role with CWL will involve regular communication where the Lead Applicant will share information regarding the project, including research from the South Dakota School of Mines, as well as providing frequent updates regarding the status of the project. Both the Lead Applicant and the Statutory Partner will each designate a contact person for the project. The Lead Applicant will meet as needed with CWL to discuss engagement and education, as well as address questions or concerns expressed by community members.
3. **Responsibilities and Role of the Statutory Partner.**
 - a. **Statutory Partner Requirements:** The Statutory Partner, CWL must demonstrate that they are a public or private nonprofit organization that supports and/or represents ASWWSD through engagement, education, and other related services provided to individual community residents and community stakeholders. For purposes of this partnership, the Statutory Partner must maintain a geographic presence or connection in, or relationship with, the specified community, Lawrence County, that the project intends to benefit.
 - b. **Communication Between Statutory Partner and Lead Applicant:** Prior to public engagement outreach, ASWWSD will review all outreach materials CWL creates, such as presentations and handouts. ASWWSD will work with CWL to make any revisions to the materials ASWWSD deems necessary. ASWWSD will also review concerns or questions

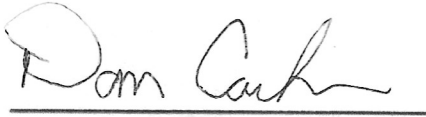
expressed to CWL by community members. ASWWSD will work with CWL to draft responses to comments received.

- c. **Public Engagement and Education Role:** Throughout the project, CWL's role will involve engagement and education about the project with area community members and leaders in Boulder Canyon, South Dakota. CWL will be involved in public engagement after the grant award is received. This engagement will last from design through implementation. CWL will share project information and updates as well as research gathered by the South Dakota School of Mines with community leaders and members. CWL will also be responsive to concerns or questions expressed by community members and will contact the Lead Applicant as well as other team members to answer questions. CWL will also convey the importance of eliminating contamination from failing septic systems as well as seek to persuade the community adjacent to the project area to connect their properties to the new wastewater system. CWL will keep a record of correspondence, education, engagement and outreach activities.
4. **Sub Award Agreement.** The Lead Applicant and Statutory Partner agree, if the proposed application is selected for the award, to enter a subaward that complies to the grant regulations at 2 CFR 200.331 and defined in the EPA's Subaward policy and related guidance and that contains terms and conditions, including those in this agreement.
5. **Fee.** The Statutory Partner will receive their fee contingent on the award of the grant. The fee is not to exceed \$443,760 for the project. The fees will be distributed through a reimbursement method, where the Statutory Partner will submit requests to the Lead Applicant for reimbursements. While it is true that the grant funds will be invoiced based on expenses incurred, for this grant the initial first draw can be expenses yet incurred (i.e., seed money). Once the fees are expended or the grant completion date is reached, this Partnership Agreement will be dissolved. The Statutory Partner will comply with the grant regulations at 2 CFR 200.331 for use of these funds. Fees are further outlined in the Letter of Understanding.
6. **Dispute Resolution.** Any dispute or difference arising out of or in connection with this agreement shall be determined by the appointment of a single arbitrator to be agreed between the parties, or failing agreement within fourteen days, after either party has given to the other a written request to concur in the appointment of an arbitrator, by an arbitrator to be appointed by the American Arbitration Association.
7. **Replacement of Statutory Partner.** The Lead Applicant is responsible for compliance and legal issues and managing risk associated with the partnership. Replacement of the Statutory partner may be necessary for various reasons including performance issues. The Lead Applicant will notify the Statutory Partner 30 days in advance that they are to be replaced. The Lead Applicant will request qualifications from comparable Statutory Partners with similar expertise, experience, knowledge, and qualifications who can help complete the grant successfully within the allotted 3-year period. Replacement will require prior approval by an authorized EPA official pursuant to 2 CFR 200.308(c)(6).
8. **Place of Business.** The principal office of the Partnership will be located at 12267 Stagecoach Trl, Sturgis, SD 57785, United States or at such places as the Partners shall determine from time to time.
9. **Partnership Term.** The Partnership shall commence on upon acceptance of grant award and will continue until: It terminates in accordance with the terms of this Agreement.

10. **Partnership Bank Accounts.** The Partnership funds will be kept in an account in its name at First National Bank in Sturgis, South Dakota, or at other financial institutions as agreed upon by all Partners. All withdrawals from these accounts will be made by checks signed by any one Partner.
11. **Partnership Books and Records.** At all times during the term of the Partnership, the books and records of the Partnership will be kept and maintained at 12267 Stagecoach Trl, Sturgis, SD 57785, United States. Such books and records will be available for inspection by any Partner and his or her representative during business hours upon reasonable notice. The Partnership shall maintain its books and records in accordance with generally accepted accounting principles (GAAP). The Partnership's fiscal year will begin on January 1st and close on December 31st. An income statement and balance sheet will be prepared at the end of each fiscal year within three month(s) after the end of the fiscal year.

Audits. An audit of the books and records of the Partnership as of the end of each fiscal year will be prepared by a firm of independent certified public accountants selected by the Partnership.

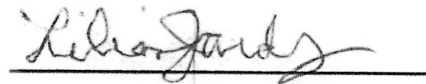
SIGNATURES



Representative Signature

Apple Springs Water Works Sanitary District

Partner Full Name



Representative Signature

Clean Water Legacy

Partner Full Name