



City of Presidio

REGULAR
CITY COUNCIL MEETING

MAY 7, 2024



**City Council
Regular Council Meeting,
May 7, 2024**

Notice is hereby given that the City Council of the City of Presidio, Texas will hold a Regular City Council meeting, at 6:00 p.m. on Tuesday, May 7th, 2024 at the Presidio Activity Center, (PAC) 1200 East O'Reilly St, in the City of Presidio, Texas for the purpose of considering the attached agenda. This notice is posted pursuant to the Texas Open Meetings Act. (Section 551.043, Texas Government Code).

To join the video meeting,

<https://meet.google.com/rpu-ftcx-gfo>

Otherwise, to join by phone, dial +1 929-266-1668 and enter this PIN: 989 728 643#

1. Call meeting to order
2. Quorum Check
3. Pledge of Allegiance
4. Public Comments *(Comments are limited only to matters that are not included in any item that has been posted on the agenda. Speakers are limited to a maximum of five minutes per speaker. Before addressing the City Council each speaker will state their name and address clearly before making comments).*
5. City of Presidio Business (New/Old)
 - a. Discussion / action to approve a contract with Lone Star Strategy Group, LLC., for grant development services.
 - b. Discussion / action to approve Lone Star Strategy Group, LLC., to apply for the Texas Water Development Board EDAP Grant.
 - c. Discussion / action on the approval of a Preliminary Assessment with McKinstry for strategic infrastructure improvements.
 - d. Discussion / action to appoint two applicants to Full-Terms and one applicant to an Unexpired-Term to the Presidio Municipal Development District Board.
 - e. Discussion / action to approve the second and final reading of Ordinance 2024-4 for the regulation of the Short-Term rentals.
 - f. Discussion / action on the TxCDBG Grant CDV23-0300 (Water and Drainage Improvements).
 1. Project Status
 2. Violence against Women Act Certification (Form A1025)
 3. Section 3 Presentation
 4. Other grant matters
 - g. Discussion / action on the TDEM TX 5161-4 (ARPA Funds)
 1. Project Status
 2. Deadlines for Obligation of Funds
 3. Update projects as needed
 4. Other grant matters
6. Administrative Updates (NO ACTION)
 - a. City Administrator's Report
 - b. City Mayor's Report
 - c. City Council Report
7. Adjourn

I certify that the above notice of regular city council meeting was posted in the display case near the front entrance of City Hall on or before May 4, 2024 at 6:00 p.m. and at the display case near the door of the Presidio Activity Center located at 1200 E. O'Reilly St, Presidio, Texas on or before May 4, 2024 at 6:00 p.m. I further certify that this agenda was also posted in the City of Presidio website www.presidiotx.us –Public Notices City Secretary on or before May 4, 2024 at 6:00 p.m.


Brenda Lee Acuña
City Secretary

All items on the agenda are for discussion and/or action by the Presidio City Council. The Presidio City Council Reserves the Right to Adjourn Into Executive Session at Any Time During the Course of this Meeting to Discuss Any of the Matters Listed Above, as Authorized by the Texas Government Code including, but not limited to, Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations About Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices), 551.087 (Economic Development) and 418.183 (Deliberations about Homeland Security Issues) Council will make a tape recording of the proceedings of a closed meeting to deliberate this information. This facility is wheelchair accessible and parking spaces are available. Request for accommodations must be made 48 hours prior to this meeting. Please contact City Hall at 432-229-3517, FAX 432-229-3505, or email bornelas@presidiotx.us for further information.

LINE ITEM 5

CITY OF PRESIDIO BUSINESS (NEW/OLD)

- a. Discussion / action to approve a contract with Lone Star Strategy Group, LLC., for grant development services.

LONE STAR STRATEGY GROUP L.L.C.

ECONOMIC DEVELOPMENT/GOVERNMENT RELATIONS

Lone Star Strategy Group (LSSG), LLC would like to apply our expertise, experience, and certifications, to serve the City of Presidio as Grant Specialists, Economic Development, and Government Relations Consultant.

- 1) Work closely with City officials and administration to address goals and objectives for both immediate and long-term needs.
- 2) Work to capitalize on bridging needs with State and Federal resources through grant opportunities.
- 3) Work to identify and complete grant applications and facilitate procurement process.
- 4) Administer grant opportunities from application through project completion for grants that do not include an Administrative/Project Management fee.

Fee for service

Total Retainer –

- 12-month term of service at \$3,000.00 per month beginning May 7th, 2024, through May 6th, 2025. This contract will continue after the 12-month period with the same monthly rate, with an option to cancel services at any time after the 12-month period with a 30-day notice.
- Beyond the monthly service fee, *Lone Star Strategy Group, LLC* reserves the right to negotiate fees appropriated through any grant secured which carries an “Administrator or Project Manager Fee”.

The City of Presidio agrees to enter this contract with Lone Star Strategy Group, LLC beginning May 7th, 2024.

Honorable John Ferguson
City of Presidio, Mayor

Marisa “Yvette” Utley, President
Lone Star Strategy Group, LLC

Date

Date

LINE ITEM 5

CITY OF PRESIDIO BUSINESS (NEW/OLD)

- b. Discussion / action to approve Lone Star Strategy Group, LLC., to apply for the Texas Water Development Board EDAP Grant.

LINE ITEM 5

CITY OF PRESIDIO BUSINESS (NEW/OLD)

- c. Discussion / action on the approval of a Preliminary Assessment with McKinstry for strategic infrastructure improvements.

LINE ITEM 5

CITY OF PRESIDIO BUSINESS (NEW/OLD)

- d. Discussion / action to appoint two applicants to Full-Terms and one applicant to an Unexpired-Term to the Presidio Municipal Development District Board.

LINE ITEM 5

CITY OF PRESIDIO BUSINESS (NEW/OLD)

- e. Discussion / action to approve the second and final reading of Ordinance 2024-4 for the regulation of the Short-Term rentals.

LINE ITEM 5

CITY OF PRESIDIO BUSINESS (NEW/OLD)

- f. Discussion / action on the TxCDBG Grant CDV23-0300 (Water and Drainage Improvements).
 - 1. Project Status
 - 2. Violence against Women Act Certification (Form A1025)
 - 3. Section 3 Presentation
 - 4. Other grant matters



**TEXAS DEPARTMENT OF AGRICULTURE
GRANT AGREEMENT**

| | | | |
|---|--|---------|-----------|
| GRANT RECIPIENT | Presidio | | |
| GRANT PROGRAM | CDBG - Community Development Fund - 2023 | | |
| PROJECT TITLE | CDBG - Community Development Fund - 2023 | | |
| CFDA NUMBER | 14.228 | | |
| PERFORMANCE PERIOD/ AGREEMENT TERM | 2/1/2024 | through | 1/31/2026 |
| AUTHORITY AND PURPOSE | | | |
| <p>The United States Government has awarded Community Development Block Grant (“CDBG”) funds to the State of Texas for activities authorized under Title I of the Housing and Community Development Act of 1974 (“HCD Act”), as amended (42 U.S.C. 5301 et seq.). The Texas Department of Agriculture (“Department”) administers the State Community Development Block Grant (“TxCDBG”) Program pursuant to Texas Government Code §487.051.</p> <p>Grant Recipient has submitted a request for assistance under the above-referenced grant program (“Grant Program”), hereinafter referred to as the “Application” and incorporated by reference into this Grant Agreement (“Agreement”) for all purposes. This Agreement sets forth the obligations of Texas Department of Agriculture (“Grantor” or “Department”), and Grant Recipient (collectively, the “Parties”) along with the terms and conditions under which the Department will provide Grant Program funds to Grant Recipient under this award. Grant Recipient agrees to administer the project as described in the Application and in this Agreement (“Project”), and the Department agrees to fund the Project up to the Grant Amount reflected below.</p> | | | |
| PROJECT DESCRIPTION | | | |
| <p>Rehabilitate two (2) water wells and construct drainage retention pond</p> <p>Grant Recipient agrees to carry out the Project and complete all approved activities in accordance with the terms of this Agreement, including the following exhibits, which are attached hereto and incorporated by reference into this Agreement for all purposes: Performance Plan and Award Specific Conditions (Exhibit A), Project Budget (Exhibit B), General Terms and Conditions (Exhibit C), and Certifications and Assurances (Exhibit D). Grant Recipient further agrees to comply with all statutes and regulations applicable to this award and such regulations and procedures as the Department may prescribe.</p> | | | |
| TOTAL GRANT AMOUNT NOT TO EXCEED | \$500,000.00 | | |
| MATCH AMOUNT (if applicable) | \$25,000.00 | | |

| GRANTEE | GRANTOR |
|---|---|
| Presidio | TEXAS DEPARTMENT OF AGRICULTURE Trade and Business Development |
| 507 W O'REILLY ST PRESIDIO, Texas, 79845-2050 | 1700 N Congress Ave Austin, TX 78701 |
| <p>AUTHORIZED SIGNATORY/AUTHORITY TO BIND</p> <p>Each person signing the Agreement certifies that he or she is authorized by Grantor or Grant Recipient to sign and execute the Agreement and to bind such party to its terms, performances, and conditions.</p> | |
| PRINTED NAME AND TITLE OF PERSON SIGNING: , | PRINTED NAME AND TITLE OF PERSON SIGNING: , |
| DATE SIGNED: | DATE SIGNED: |

Exhibit A

Performance Plan and Award Specific Conditions

A. Eligible Use of Funds

1. As a condition of receiving this award, Grant Recipient shall administer the Project funded under this Agreement and complete all activities described in this Exhibit A in accordance with the Project Schedule and performance goals outlined herein. Grant Recipient shall perform and complete all work and activities in a manner satisfactory to the Department and consistent with the terms and conditions of this Agreement and applicable statutes and regulations.
2. The use of Grant Program funds is premised upon, and conditioned on, Grant Recipient fulfilling one of the program's national objectives. Grant Recipient certifies that the activity (ies) carried out under this Agreement will meet the national objective of Activities benefiting low-to-moderate income persons. If Grant Recipient fails to meet a national program objective, as specified in this Exhibit A, Grant Recipient shall reimburse the Department all grant funds received under this Agreement within thirty (30) days of notice unless otherwise requested by the Department.
3. Grant Recipient will undertake the following activities and provide the following levels of program services.

City of Presidio, Texas - 03J

Grant Recipient shall address the following local need:

Inadequate water supply source resulting in potential interruptions in service.

Grant Recipient shall complete the following work:

Rehabilitate Well No. 6 to include installation of one (1) new well pump motor and piping, electrical improvements, and all associated appurtenances.

Rehabilitate Well No. 8 to include installation of one (1) new well pump motor and piping, electrical improvements, one (1) permanently installed emergency generator, and all associated appurtenances.

Grant Recipient shall perform this work in the following location(s):

Well No. 6 and Well No. 8 located 4.6 miles ENE of the City limits. This location is more fully described in Figure A1 below, which is incorporated herein. In the event of a conflict between this description and Figure A1, Figure A1 controls.

These activities shall benefit 4,140 persons, of which 2,760 or 66.67 percent are of low- to moderate-income.

City of Presidio, Texas - 03I

Grant Recipient shall address the following local need:

Inadequate drainage facilities resulting in limited access during flood events.

Grant Recipient shall complete the following work:

Construct approximately fifty-nine thousand square foot (59,000 SF) detention pond. Additionally, install one thousand eight hundred linear feet (1,800 LF) of concrete valley gutter, and all associated appurtenances.

Grant Recipient shall perform this work in the following location(s):

Detention pond located at approximately 601 Hurd Avenue. Valley gutters to be installed along Hurd Avenue This location is more fully described in Figure A2 below, which is incorporated herein. In the event of a conflict between this description and Figure A2, Figure A2 controls.

These activities shall benefit 4,140 persons, of which 2,760 or 66.67 percent are of low- to moderate-income.

4. Grant Recipient shall ensure that all required engineering services are completed as required by state law, including preliminary and final design plans and specifications, interim and final inspections, and all relevant special services. Grant Recipient shall ensure that all Project-related administration activities are completed, as described in the current TxCDBG Project Implementation Manual.

B. Prohibited Activities

Grant Recipient may only use grant funds to carry out the activities described in this Agreement. Grant Recipient is prohibited from charging to this award the costs of ineligible activities, including those described at 24 CFR §570.207, and from using grant funds or personnel employed in the administration of activities under this Agreement for political activities, inherently religious activities, or lobbying.

C. Timeline

Grant Recipient will comply with the Project Schedule reflected below. Failure to meet any of the following milestones may result in sanctions as outlined in the TxCDBG Project Implementation Manual, Requests for Grant Applications, other published Department guidance, and conditions of this Agreement:

| | |
|---|-----------|
| Pre-Agreement Cost Begins: | 5/3/2023 |
| Grant Contract Period Begins: | 2/1/2024 |
| Environmental Review/Plans & Specifications Recommended to be Complete: | 8/1/2024 |
| Group B Forms Required to be Complete: | 2/1/2025 |
| Project Recommended to be Complete, including inspections: | 10/1/2025 |
| Grant Contract Period Ends: | 1/31/2026 |
| Final Payment and Closeout Documentation Required to be Submitted: | 4/1/2026 |

D. Special Conditions

Grant Recipient agrees and assures the Department that it will comply with all the special provisions and requirements of the award described herein.

1. Compliance: It is understood and agreed by the Parties that performance under this Agreement must be rendered in accordance with the Housing and Community Development Act of 1974, as identified in the Authority and Purpose provision of the Agreement; the policies, procedures and regulations of the Department; assurances and certifications made to the Department by Grant Recipient; and assurances and certifications made to HUD by the State of Texas with regard to the operation of the TxCDBG Program. Based on these considerations, and in order to ensure the legal and effective performance under this Agreement, both Parties agree that such performance is subject to and governed by the provisions of the TxCDBG Project Implementation Manual and any amendments thereto. Further, the Department may, from time to time during the period of performance of this Agreement, issue policy directives which serve to establish, interpret, or clarify performance requirements under this Agreement. Such policy directives shall be promulgated by the Department in the form of TxCDBG issuances, shall have the effect of qualifying the terms of this Agreement, and shall be binding upon Grant Recipient, as if written herein; provided, however, that the policy directives and any amendments to the TxCDBG Project Implementation Manual shall not alter the terms of this Agreement so as to release the Department from any obligation specified in Section 4 of Exhibit C to reimburse costs incurred by Grant Recipient prior to the effective date of such amendments or policy directives. Any alterations, additions, or deletions to the terms of this Agreement, which are required by changes in Federal or State laws or regulations, are automatically incorporated by reference into this Agreement for all purposes without written amendment and shall become effective on the date designated by such law or regulation.

2. Environmental Review: Grant Recipient understands and agrees that it is responsible for environmental review, decision-making, and action under 42 U.S.C. §5304(g), the National Environmental Policy Act of 1969 (NEPA) [42 U.S.C. §§4321 *et seq.*], and other provisions of law which further the purposes of NEPA, as specified in 24 CFR §58.5. Grant Recipient shall comply with the environmental review procedures set forth in 24 CFR Part 58, the TxCDBG Project Implementation Manual, and all other applicable federal, state, and local laws insofar as they apply to the performance of this Agreement. Neither Grant Recipient nor any participant in the development process, or any of their contractors, may commit grant or other funds on an activity or project, or execute a legally binding agreement for property acquisition, rehabilitation, conversion, repair or construction pertaining to a specific site until Grant Recipient has completed the environmental review process and the Department has authorized use of grant funds or approved the Grant Recipient's request for release of funds and related certification.

3. Citizen Participation: Grant Recipient shall provide for and encourage citizen participation, particularly by low and moderate income persons who reside in slum or blighted areas and areas in which the funds provided under this Agreement are used, in accordance with 24 CFR §570.486 and this Agreement.

4. Public Hearings: Grant Recipient shall hold a public hearing concerning any activities proposed to be added, deleted, or substantially changed, as determined by the Department, from the activities specified in the Application or the Performance Plan. Prior to the programmatic closure of this Agreement, Grant Recipient shall hold a public hearing to review its performance under this Agreement. For each public hearing scheduled and conducted by Grant Recipient, Grant Recipient shall comply with the hearing requirements specified in the TxCDBG Project Implementation Manual.

5. Complaint Procedures: Grant Recipient shall maintain written citizen complaint procedures that provide for a timely written response to complaints and grievances. Such procedures shall comply with the Department's requirements. Grant Recipient shall ensure that its citizens are aware of the location and hours at which they may obtain a copy of the written procedures and the address and phone number for submitting complaints.

6. Department Recognition: Grant Recipient shall have signage placed in a prominent, visible public area identifying the Project as funded by the Department. The signage must be legible from a distance of at least three (3) feet and comply with the wording, size and formatting requirements set forth in the TxCDBG Project Implementation Manual.

7. Program Income: In the same manner as required for all other funds under this Agreement, Grant Recipient shall maintain records of the receipt, accrual, and disposition of all program income (as defined at 24 CFR §570.489(e) and the TxCDBG Project Implementation Manual) generated by activities carried out with grant funds made available

under this Agreement. The use of program income by Grant Recipient shall comply with the requirements set forth at 24 CFR §570.489(e). Grant Recipient shall use such income during the Agreement Term for activities permitted under this Agreement prior to requesting additional funds from the Department. Grant Recipient shall provide reports of program income to the Department with each payment request in accordance with the payment procedures described herein, and at the termination of this Agreement. All unexpended program income shall be returned to the Department at the end of the Agreement Term, unless otherwise specifically provided within this Agreement.

8. Disbursement of Certain Funds: Funds for construction activities under this Agreement will not be disbursed to Grant Recipient until all requirements identified as Group B in the TxCDBG Project Implementation Manual, Section 2.2, have been satisfied. These requirements must be satisfactorily completed no later than the date identified in Section C, Project Schedule, above as *Group B Forms Required to be Complete*. In accordance with Sections 17 and 18 of Exhibit C, the Department may terminate this Agreement immediately if these special conditions are not met by the date identified in Section C, Project Schedule, above as *Group B Forms Required to be Complete*.

9. The Grant Recipient must comply with the requirements of the Build America, Buy America (BABA) Act, 41 USC 8301 note, and all applicable rules and notices, as may be amended, if applicable to the Grant Recipient's infrastructure project. Any funds obligated under this grant agreement are subject to BABA requirements as described in Chapter 4 of the TxCDBG Project Implementation Manual, unless excepted by a waiver.

10. In addition to the documentation required by Chapter 2 of the Project Implementation Manual, funds awarded under this Agreement will not be disbursed to Grantee until these special conditions are met. Grantee shall submit to the department:

Certification of compliance with the requirements of the Violence Against Women Act Reauthorization of 2022 and the Right to Report Crime and Emergencies from One's Home, confirming that no ordinances, local regulations, or policies adopted by the local government and currently in effect contain any financial or regulatory penalty imposed on property owners or residents as a result of any use of emergency services as required by TxCDBG Policy Issuance 23-01.

11. Prior to submission of the Project Completion Report for the water system improvements described in the Performance Statement, Grant Recipient shall provide a letter from the Texas Commission on Environmental Quality that the constructed well is approved for use and may be placed into service.

Exhibit B
Budget

A. Approved Budget

1. It is understood and agreed that the total amount of grant funds under this award shall be used for the Project outlined in this Agreement. Grant Recipient shall expend grant funds under this award in accordance with the approved Project budget specified herein. All Project-related expenses must be reasonable and necessary.
2. The Department may require a more detailed budget breakdown than the one contained herein, and Grant Recipient shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the Department.
3. Any amendments to the Project budget must be approved in writing by both the Department and Grant Recipient.

| HUD Activity | Awarded Amount |
|----------------------------|-----------------------|
| 03J | \$295,000.00 |
| 03I | \$105,000.00 |
| Engineering | \$65,000.00 |
| Admin | \$35,000.00 |
| Total Grant Awarded | \$500,000.00 |
| Committed as Match | \$25,000.00 |
| Match Ratio | 5.00% |

B. Pre-Award Costs

The Department may reimburse allowable administrative and engineering expenditures made by Grant Recipient prior to the effective date of the Agreement if incurred after 5/3/2023, and if Grant Recipient complied with all requirements for the release of such grant funds.

Exhibit C

General Terms and Conditions - Federal Grant

SECTION 1. COMPLIANCE WITH APPLICABLE LAWS

Grant Recipient agrees to administer the award and carry out the Project in compliance with all of the obligations described in this Agreement and shall ensure that the Project is financed, constructed, operated and maintained in accordance with all federal, state and local laws, ordinances, regulations, and published program guidance that are in any manner applicable to the activities performed by Grant Recipient under this award, its agents, employees, subgrantees, contractors and subcontractors pursuant to this Agreement. Failure to comply with such laws, ordinances, regulations, and guidance shall be grounds for termination of this Agreement for cause.

SECTION 2. AVAILABILITY OF FUNDS

Grant Recipient shall recognize and agree that both the initial provision of funding and the continuation of such funding under the Agreement is expressly dependent upon the actual receipt by the Department of funds appropriated to the Department by the Texas Legislature from State and/or Federal revenue or such other funding sources as may be applicable. If said funds or any part thereof are or become unavailable, the Department may terminate this Agreement or reduce the grant amount, as applicable. A failure of the Department to make any payment under this Agreement or to observe and perform any condition on its part to be performed under the Agreement as a result of the failure of the Texas Legislature to appropriate shall not in any manner constitute a breach of the Agreement by the Department or an event of default under the Agreement, and the Department shall not be held liable for any breach of the Agreement because of the absence of available funding appropriations.

SECTION 3. ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES AND ACCOUNTING STANDARDS

Grant Recipient shall comply with, to the extent applicable, the provisions of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200) and the Texas Grant Management Standards ("TxGMS") promulgated by the Texas Comptroller of Public Accounts pursuant to the Uniform Grant and Contract Management Act (Tex. Gov't Code, Chapter 783). Grant Recipient agrees to adhere to the administrative requirements and accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred under the award.

SECTION 4. METHOD OF PAYMENT

A. Funds will be disbursed for actual eligible costs incurred by Grant Recipient in connection with this Agreement. Determination of allowable costs shall be made in accordance with applicable government-wide cost principles under 2 CFR Part 200, Subpart E; the TxGMS; this Agreement; published program guidance; and such procedures as the Department may prescribe.

B. Payment requests shall be submitted to the Department in the manner and on the form required by the Department. Payment shall be made on an eligible cost-reimbursement basis only and in such amounts and increments approved by the Department for various phases of work following submission by Grant Recipient of a proper request for payment, including applicable, accurate and complete supporting documentation that substantiates the payment request in accordance with the Performance Plan under Exhibit A and the Project Budget reflected in Exhibit B.

C. The Department shall pay to Grant Recipient funds available under this Agreement based upon information submitted by Grant Recipient for allowable costs permitted under the Agreement and consistent with the Project Budget. The Department will notify Grant Recipient if there are concerns about the Project and shall not make disbursement of any such payment until the issues of concern are resolved and the Department has reviewed and approved such payment request. The Department may deny a payment request if the Department determines that the

request is not supported by sufficient documentation.

D. The Department will not reimburse Grant Recipient for any costs incurred either prior to the effective date of the Agreement or after the termination or expiration date of the Agreement, unless otherwise stated herein or agreed to in writing by the Department.

E. The Department will not make final payment to Grant Recipient until all reports, unexpended program income and other deliverables required under the Agreement have been submitted to the Department in acceptable form.

SECTION 5. MATCHING AND COST SHARING REQUIREMENTS

Grant Recipient shall demonstrate to the satisfaction of the Department that it has complied with all matching and cost sharing requirements, if any, of this Agreement. Requests for reimbursement will only be paid after Grant Recipient provides documented minimum expenditure of matching funds in an amount proportionate to the reimbursement request.

SECTION 6. FINANCIAL MANAGEMENT

A. Grant Recipient shall maintain a financial management system that meets the standards for fund control and accountability as established in 2 CFR 200, Subpart D; the TxGMS; and this Agreement, as applicable, and that will facilitate an effective audit in accordance with the Single Audit Act of 1984, as amended (31 U.S.C. §§7501-7507). Grant Recipient agrees to keep all Project accounts and records that fully disclose the amount and disposition by Grant Recipient of the proceeds of the award, the total cost of the Project in connection with which the award is given or used, the amount or nature of that portion of the cost of the Project supplied by other sources, and such other financial records pertinent to the Project. Grant Recipient's failure to comply with these requirements may result in termination of the award.

B. Grant Recipient shall maintain a financial management system that provides:

- (1) Accurate, current and complete disclosure of all financial activities related to this Agreement, in accordance with Generally Accepted Accounting Principles;
- (2) Records that clearly identify the source and application of all funds used for the purposes described in the Application, attached hereto and incorporated by reference as part of the Agreement for all purposes. These records shall, at a minimum, contain information pertaining to Agreement awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays, and program income;
- (3) Effective internal and accounting controls over all funds, property, and other assets. Grant Recipient shall have in place a system for safeguarding all such assets and shall assure that such assets are used solely for authorized purposes; and
- (4) Accounting records that are supported by source documentation.

C. Grant Recipient shall ensure that the funds provided by the Department to Grant Recipient under this Agreement are not misappropriated or misdirected to any other account, need, project, line-item, or unrelated activity.

D. In accordance with Article IX, Section 4.04 of the General Appropriations Act for the State Biennium for Fiscal Year 2022-2023 ("GAA"), Grant Recipient shall further ensure that grant funds received under this Agreement will be expended in a manner consistent with the limitations and reporting requirements established by GAA, Article IX, Part 2 (governing Provisions relating to the Position Classification Plan), Part 3 (governing Salary Administration and Employment Provisions), and Part 5 (governing Travel Regulations); Texas Government Code, Sections 556.004, .005, and .006; and Texas Government Code, Sections 2113.012 and .101.

SECTION 7. PROCUREMENT STANDARDS

Grant Recipient shall procure property, supplies, equipment, and services with funds provided under this Agreement in a manner consistent with (1) current Grant Program policy; (2) federal, state and local laws; (3) 2 CFR Part 200, Subpart D; and (4) the TxGMS, as applicable. The Department assumes no responsibility for contractual and administrative matters associated with Grant Recipient's procurement of such property, supplies, equipment, and services. No provider of property, supplies, equipment, and services to Grant Recipient shall be deemed a third-party beneficiary of this Agreement.

SECTION 8. PROPERTY MANAGEMENT STANDARDS

Grant Recipient shall use and dispose of property in a manner consistent with 2 CFR Part 200, Subpart D, and the TxGMS, as applicable, if such property has been furnished by the Department or acquired or improved in whole or in part with federal or state funds or if the cost of such property was charged to a project supported by federal or state funds.

SECTION 9. REPORTING REQUIREMENTS

- A. Grant Recipient shall submit timely, complete, and accurate progress, performance, and financial reports in the manner and form specified by the Department. These reports shall be submitted to the Department on a periodic basis, as prescribed in Exhibit A, Award Specific Conditions.
- B. Agreement obligations will remain in force until all final reports are reviewed and approved by the Department. The final report shall include a comparison of actual expenditures with the budget line items shown in Exhibit B, Project Budget.
- C. Extensions to the reporting due dates prescribed in Exhibit A, Award Specific Conditions, may be granted by the Department upon receipt of a written request from Grant Recipient.
- D. Failure of Grantee to comply with any of the reporting requirements in this Agreement may result in: (i) the revocation of a grant; (ii) withholding of current or future payment requests submitted by the Grant Recipient; (iii) requiring repayment of grant funds previously disbursed to Grant Recipient; (iv) a determination that Grant Recipient is ineligible for future Grant Program funds; and/or initiate other remedies for noncompliance as appropriate and permitted under this Agreement; 2 CFR Part 200, Subpart D; or the TxGMS.

SECTION 10. RECORD RETENTION

- A. Grant Recipient shall maintain and retain all financial and statistical records, performance records, supporting documents, and all other records related, in any way, to this Agreement and award for a period of three (3) years from closeout of the grant from the federal awarding agency to the Department. If any litigation, claim, audit, administrative review or other action is initiated before the expiration of the record retention period, all records and supporting documents shall be retained until all issues and matters are resolved and final action taken.
- B. The preceding record retention requirement is subject to the following exception: Records pertaining to nonexpendable property acquired with award funds shall be retained for three (3) years after final disposition of such property.
- C. The Department reserves the right to direct Grant Recipient to retain documents for a longer period of time or transfer certain records to Department custody when it is determined the records possess longer term retention value.
- D. Grant Recipient shall include the substance of this Section 10 in all subawards and subcontracts.

SECTION 11. INSPECTIONS AND MONITORING

A. Grant Recipient shall monitor the performance of all activities undertaken pursuant to this Agreement to assure that time schedules are being met, projected work and tasks are being accomplished and other performance goals are being achieved. Grant Recipient is accountable to the Department for the use of the grant funds provided and shall assure the award is administered in compliance with all applicable requirements. Responsibilities include the accounting of receipts and expenditures, cash management, maintaining adequate financial records, and refunding disallowed expenditures.

B. Grant Recipient agrees to notify the Department in writing of any circumstances or conditions that may negatively affect or are negatively affecting program objectives or performance as soon as they are known. These conditions include but are not limited to circumstances and problems that prevent the meeting of time schedules and goals or preclude the attainment of Project work within established time periods. In its notification, Grant Recipient shall include a statement of the action taken or contemplated by Grant Recipient to correct the problems and the time frame within which corrective action will be taken.

C. Grant Recipient's progress will be monitored periodically by the Department to ensure that the Project goals, objectives, performance requirements, timelines, milestone completion, budgets, and other related program criteria are being met. Monitoring will be accomplished through a combination of office-based reviews and onsite monitoring visits. Monitoring will involve the review and analysis of the financial, programmatic, performance and administrative issues relative to each Grant Program and will identify areas where technical assistance and other support may be needed.

D. The Department may, at any time, require that Grant Recipient provide such other information as is deemed necessary by the Department to enable it to fully monitor the Agreement.

E. The Department may issue management decisions and may consider taking enforcement actions if noncompliance is detected during audits, inspections, or monitoring reviews. The Department may require Grant Recipient to take timely and appropriate action on all deficiencies pertaining to the award detected through audits, on-site reviews, and other means. In response to audit deficiencies or other findings of noncompliance with this Agreement, the Department may impose additional conditions on the use of funds to ensure future compliance. Failure of Grant Recipient to take timely and appropriate action on all deficiencies may result in the withholding or suspension of funds under the Agreement, termination of the award, or any other remedy which may be available to the Department.

F. Grant Recipient understands and agrees that it shall repay funds disbursed to Grant Recipient under this Agreement for disallowed costs identified through audits, inspections, or monitoring reviews, and the repayment of such disallowed costs shall be paid by Grant Recipient from non-grant funds. Disallowed costs are those charges determined to not be allowed in accordance with the applicable cost principles or other conditions contained in this Agreement.

SECTION 12. AUDITS, INVESTIGATIONS AND ACCESS TO RECORDS

A. Grant Recipient agrees to make available to the Department, any federal agency whose funds are expended in the course of this Agreement, the Texas State Auditor's Office, any other appropriate unit or agency of the state or federal government, and any of their duly authorized representatives, for purposes of audit and examination, all accounting records, books, documents, files and other papers that are pertinent to the award as may be necessary to facilitate the review and audit of Grant Recipient's operations, administration, receipt and use of funds under this award. Such authority to audit and right to access shall continue as long as the records are retained by Grant Recipient. Grant Recipient agrees to cooperate fully with such agencies in the conduct of the audit or investigation. Grant Recipient shall ensure that the substance of this clause concerning the authority to audit funds and the requirement to cooperate is included in all subawards and contracts it awards.

B. When reasonable and practical to do so, the Department shall provide prior notice of all visits entailing inspections, audits, and other reviews. However, the Department retains the right to make unannounced visits, inspections, and audits as deemed necessary.

C. All audit reports shall be promptly delivered to Grant Recipient for review. Grant Recipient shall cooperate with the Department to assure timely and appropriate resolution of audit findings and recommendations.

D. When audits disclose overpayments to Grant Recipient, the Department may, at its option, either require Grant Recipient to repay the overpayment or deduct the amount of overpayment from monies due the Grant Recipient under the Agreement. Any overpayments not repaid through actual repayment or by deduction within thirty (30) days of notice to Grant Recipient shall be charged simple interest at ten percent (10%) per annum. The thirty (30) day notice of repayment or deduction shall commence upon sending, either by United States Postal Service or electronic mail, of written notice to Grant Recipient.

SECTION 13. AUDIT REQUIREMENTS

A. If Grant Recipient expends \$750,000 or more during its fiscal year in federal awards, Grant Recipient must have a single or program-specific audit conducted for that year in accordance with applicable federal laws and regulations, including 2 CFR Part 200, Subpart F.

B. All audits shall be conducted in accordance with the Generally Accepted Government Auditing Standards.

C. If Grant Recipient has a financial audit performed during the term of this Agreement, Grant Recipient shall provide to the Department, upon request, information about the audit or information regarding where the audit report can be publicly viewed, including the audit transmittal letter, management letter, and any schedules in which award funds are included.

D. Failure to comply with audit requirements may adversely affect this award, other grant agreements between Grant Recipient and the Department, and future awards to Grant Recipient.

SECTION 14. MODIFICATIONS AND AMENDMENTS

A. Any alterations, additions, or deletions to the terms of this Agreement shall be by amendment in writing and executed by the parties to the Agreement.

B. Amendments will generally be required when any of the following are anticipated: (1) a change to the scope, location, or objectives of the Project, including purpose or beneficiaries; (2) revision to Exhibit B, Project Budget, including budget category expenditure variances and transfer of expenditures to an unbudgeted line item; and (3) a need to extend the availability of grant funds or Performance Period.

C. A request for modification or amendment to the Agreement shall be submitted to the Department in writing, including an explanation or justification for the request, no later than thirty (30) days prior to the end of the agreement term. A request for an extension must be supported by documentation of extenuating or unforeseeable circumstances beyond Grant Recipient's control which prevented completion of the Project within the agreement term and include a revised performance plan and schedule showing when major milestones will be completed for each activity. Requests may be submitted to the Department for approval less than thirty (30) days prior to the end of the agreement term but only for good cause as determined by the Department based on the justification submitted with the request.

D. Such amendments shall not invalidate the Agreement, nor relieve or release the Department or Grant Recipient from its obligations under the Agreement except as specifically set out therein.

E. Any alterations, additions, or deletions to the terms of this Agreement which are required by changes in Federal or

State laws or regulations are automatically incorporated into this Agreement without written amendment and shall become effective on the date designated by such law or regulation.

SECTION 15. INDEMNIFICATION

A. To the extent allowed by law and the Constitution of the State of Texas, Grant Recipient and the Department shall each be responsible for the acts or omissions of their respective agents and employees.

B. Grant Recipient shall, to the extent allowed by law and the Constitution of the State of Texas, indemnify and hold harmless the Department, its officers, agents, employees and representatives from any and all liability, actions, claims, demands or suits, and all related costs, attorney fees and expenses arising out of or related to (1) the work, services, or materials provided under this Agreement; (2) any failure of Grant Recipient to perform its obligations under this Agreement; or (3) any improper or deficient performance of such contractual obligations. The Department 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.

C. This Section 15 shall survive the expiration or termination of the Agreement.

SECTION 16. AWARD CLOSEOUT

A. Closeout of the award shall be based upon a determination that all applicable administrative actions and all required Project-related activities have been completed in accordance with the Application, the terms of this Agreement and all applicable laws and regulations.

B. Upon the Department's review of all financial, performance, and other required reports, the Department may make upward or downward adjustments to the allowable costs, within the limits of the grant amount, on the basis of the information contained in the reports.

C. Regardless of whether audits were conducted during the term of the Agreement, a final financial and compliance audit may be initiated up to three (3) years after the Agreement completion date beginning with the date Grant Recipient submits the final reports.

D. Any award funds not expended by Grant Recipient in conjunction with the Project prior to the end of the term of the Agreement, including any authorized extensions, shall be forfeited.

SECTION 17. SUSPENSION AND TERMINATION

A. Termination for Cause: If the Department determines that Grant Recipient has committed a material breach or default of any covenant, obligation or other agreement under this Agreement; failed to fulfill or perform any obligation under this Agreement; or failed to comply with any of the terms or conditions of this Agreement, in whole or in part, and such breach, default or failure is not cured within fourteen (14) days after the Department's notice or such longer period as the Department may specify in such notice, the Department may place Grant Recipient in default status and take any or all of the following actions:

- (1) Suspend activities under the Agreement upon thirty (30) days advance written notice by the Department and withhold further payments. The notice of suspension shall state the reason for the action, the effective date of the suspension, the corrective action that must be taken and the time period during which the corrective action must be accomplished.

- (2) Terminate the Agreement for cause, in whole or in part, upon thirty (30) days advance written notice by the Department. The notice of termination shall state the reason for the action, the effective date of the termination and the closeout procedures to be followed. As of the effective date of a termination for cause, Grant Recipient shall immediately cease incurring additional obligations of award funds. Grant Recipient shall have no right to utilize award funds to pay any costs incurred after the effective date of a termination for cause.
- (3) Terminate the Agreement for cause, in whole or in part, immediately effective upon notice, whenever the Department determines that Grant Recipient has jeopardized the safety and welfare of the public, materially failed to comply with the terms and conditions of the Agreement, or whenever the fiscal or programmatic integrity of the Agreement has been compromised. The notice of termination pursuant to this provision shall state the reason for the action, the effective date of the termination and closeout procedures to be followed. As of the effective date of such a termination for cause, Grant Recipient shall immediately cease incurring additional obligations of award funds. Grant Recipient shall have no right to utilize award funds to pay any costs incurred after the effective date of the termination.
- (4) Invoke any other remedy or remedies that may be legally available.

B. Termination for Convenience: Either party may terminate this Agreement at any time for convenience by providing a written notice to the other party at least thirty (30) days in advance of the intended date of termination.

C. Mutual Termination: This Agreement may be terminated immediately upon mutual written consent of the parties or at such other time as the Parties may agree in the written consent.

D. Effect of Termination: Upon receiving a notice of termination of this Agreement, Grant Recipient shall immediately cease all activities under this Agreement unless the Department expressly directs otherwise. Each party shall be released from all obligations to the other party arising after the date of the termination or expiration, except for those that by their terms survive such termination or expiration.

SECTION 18. CORRECTIVE ACTIONS/REMEDIES FOR NONCOMPLIANCE

A. In addition to any other rights or remedies available at law or in equity, if Grant Recipient fails to comply with any term, condition, requirement, or provision of this Agreement, in whole or in part, the Department may take one or more of the following actions:

- (1) Temporarily withhold payment of funds pending correction of the default by Grant Recipient;
- (2) Disallow all or part of the cost of the noncompliant activity or action and reduce the Grant Award by such amount;
- (3) Wholly or partially suspend or terminate the award and this Agreement as provided in this Agreement;
- (4) Withhold further awards to Grant Recipient;
- (5) Require Grant Recipient to repay award funds that the Department determines were not expended in compliance with this Agreement or any applicable statutes or regulations;
- (6) Impose an administrative penalty which results in a reduction of the budget line item for grant administration; or
- (7) Invoke any other remedy or remedies that may be legally available.

B. Failure to comply with any terms of this Agreement include, but are not limited to, the following:

- (1) Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and guidelines, policies or directives as may become applicable at any time;
- (2) Failure, for any reason, of Grant Recipient to fulfill in a timely and proper manner its obligations under this Agreement;

- (3) Ineffective or improper use of funds provided under this Agreement; or
- (4) Submission by Grant Recipient to the Department reports that are incorrect or incomplete in any material respect.

C. The Department reserves the right to immediately cancel this Agreement, in whole or in part, without penalty and without an opportunity for Grant Recipient to cure if:

- (1) award funds are misused;
- (2) Grant Recipient commits fraud through intentional, reckless or grossly negligent conduct; or
- (3) Grant Recipient knowingly made any false statements or misrepresentations in the Application or any certification, report or other information submitted to the Department under this Agreement.

D. In the case of a cancellation, suspension or termination, monies already received by Grant Recipient under this Agreement may be owed back to the Department and the Department may also declare Grant Recipient ineligible to receive any further awards until the entire obligation has been repaid to the Department.

SECTION 19. ASSIGNABILITY OF AGREEMENT, SUCCESSORS IN INTEREST

A. Grant Recipient shall not assign or transfer this Agreement, or any part thereof, without prior written consent of the Department. Any such assignment or transfer, if approved, is subject to such conditions and provisions required by the Department. No approval by the Department of any assignment or transfer shall be deemed to create any obligation of the Department in addition to those set forth in this Agreement.

B. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties, their respective representatives, successors and permitted assigns.

SECTION 20. SUBAWARDS/SUBCONTRACTS

A. Approvals: Whenever Grant Recipient intends to subcontract any work or services under this Agreement, Grant Recipient shall not enter into any contracts with any agency or individual in the performance of this Agreement without the written consent of the Department prior to the execution of such contract. It is understood that consent of the Department to subcontract in no way relieves Grant Recipient of any of its duties or obligations under this Agreement nor precludes the Department from taking any action which may be available to it under this Agreement or otherwise in law.

B. Monitoring: Grant Recipient shall monitor all work and services on a regular basis to assure they are carried out in accordance with this Agreement. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

C. Content: With any subgrantee or subcontractor, Grant Recipient must have a written contract that complies with applicable requirements and regulations. All work or services covered under this Agreement which is contracted by Grant Recipient shall be subject to all provisions of this Agreement. Grant Recipient shall cause all of the provisions of this Agreement in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

D. Selection Process: Grant Recipient shall undertake to ensure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis in accordance with applicable procurement requirements. Executed copies of all subcontracts shall be maintained in Grant Recipient's files along with documentation concerning the selection process and made available upon request.

SECTION 21. COPYRIGHTS

Grant Recipient may exercise its rights to ownership of materials developed during the course of a grant-supported project by copyrighting the materials. However, Grant Recipient (and all subgrantees) must grant to the Department and to the federal agency providing the funds (as applicable), for governmental purposes, a royalty-free, non-exclusive and irrevocable license to reproduce, publish, or otherwise use these materials and to authorize others to do so. This license to the Department covers any and all materials developed and other deliverables under the Agreement. The license to the Department does not preclude Grant Recipient from exercising its right of ownership of the materials or prevent Grant Recipient from selling or licensing the materials. If the materials are to be licensed or sold by Grant Recipient, then the net proceeds constitute program income as defined, and the funds must be treated accordingly as defined by regulations and published Grant Program guidance.

SECTION 22. INDEPENDENT CONTRACTOR

Nothing contained in this Agreement is intended to or shall be construed in any manner as creating or establishing the relationship of employer/employee between Grant Recipient and the Department. Grant Recipient shall at all times remain an "independent contractor" with respect to the work and services to be performed under this Agreement.

SECTION 23. CONFLICT OF INTEREST

A. In the administration of the award, the performance of activities under the Agreement, and the procurement of supplies, equipment, construction and services, Grant Recipient shall comply with all conflict-of-interest prohibitions and disclosure requirements required by applicable law, rules and policies, including 2 CFR §§200.317-200.319 and Chapter 176 of the Texas Local Government Code. If circumstances arise during the course of the Agreement that constitute a conflict of interest, actual or potential, or reasonably creates an appearance of impropriety, Grant Recipient shall promptly notify the Department.

B. Grant Recipient shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of contracts/agreements supported by award funds, which includes the following:

- (1) No employee, officer or agent of Grant Recipient shall participate in the selection, or in the award, or administration of, a contract/agreement supported by award funds if a conflict of interest, real or apparent, would be involved.
- (2) Grant Recipient shall not assign an employee to the Project if the employee:
 - a. owns an interest in or is an officer or employee of a third-party business entity that has or may have an agreement with Grant Recipient relating to the Project;
 - b. has a direct or indirect financial interest in the outcome of the Project; or
 - c. has performed services regarding the subject matter of the Project for an entity that has a direct or indirect financial interest in the outcome of the Project.
- (3) Grant Recipient will maintain safeguards to address and prevent any organizational conflict of interest, and also to prohibit employees from using their positions in any manner that poses, or appears to pose, a personal or financial conflict of interest, or personal gain.

C. Grant Recipient shall include in all subawards and subcontracts any necessary provisions to eliminate or neutralize conflicts of interest.

SECTION 24. SEVERABILITY

The Parties agree that if any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if the Agreement did not contain the particular

term or provision held to be invalid. This Section 24 shall survive expiration or termination of this Agreement.

SECTION 25. PUBLIC/CONFIDENTIAL INFORMATION

A. **Public Information:** Grant Recipient understands that the Department will comply with the Texas Public Information Act, Chapter 552 of the Texas Government Code ("PIA"). Information, documentation, and other material in connection with this Agreement and award may be subject to public disclosure pursuant to the PIA. Grant Recipient is required to make any information created or exchanged with the Department pursuant to this Agreement, and not otherwise excepted from disclosure under the PIA, available in a format that is accessible by the public.

B. **Client Data and Other Sensitive Information:** Grant Recipient is required to maintain data demonstrating client eligibility for activities provided under this Agreement. Such data may include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of activities provided. Grant Recipient must comply with 2 CFR §200.303 and take reasonable measures to safeguard protected personally identifiable information, as defined in 2 CFR §200.82, and other information Grant Recipient considers sensitive consistent with applicable federal, state, local, and tribal laws regarding privacy and obligations of confidentiality.

SECTION 26. WAIVER

The Parties expressly agree that no provision of the award or Agreement is in any way intended to constitute a waiver by the Department or the State of Texas of any immunities from suit or from liability that the Department or the State of Texas may have by operation of law. Any right or remedy provided for in this Agreement shall not preclude the exercise of any other right or remedy under the Agreement or under any provision of law, nor shall any action taken by the Department in the exercise of any right or remedy be deemed a waiver of any other rights or remedies. The Department's failure to act with respect to a breach by Grant Recipient does not waive its right to act with respect to subsequent or similar breaches. The failure of the Department to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

SECTION 27. GOVERNING LAW AND VENUE

This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to the conflicts of law provisions. The venue of any suit arising under this Agreement is fixed in any court of competent jurisdiction of Travis County, Texas, unless the specific venue is otherwise identified in a statute that directly names or otherwise identifies its applicability to the contracting state agency.

SECTION 28. ORAL AND WRITTEN AGREEMENTS

All oral and written agreements between the Parties relating to the subject matter of this Agreement that were made prior to the execution of this Agreement have been reduced to writing and are contained in this Agreement.

SECTION 29. EXECUTION OF AGREEMENT

This Agreement is effective as of the date signed by the Texas Agriculture Commissioner or by his authorized designee.

Exhibit D

Certifications and Assurances – CDBG Grant

By signature hereon, Grant Recipient hereby certifies and assures, with respect to this award and performing its responsibilities under this Agreement, that it will comply with all applicable laws, regulations, executive orders, policies, guidelines and requirements.

1. **LEGAL AUTHORITY** – Grant Recipient represents that it possesses legal authority to enter into the agreement, including all understandings and assurances contained therein. A resolution, motion or other similar action has been duly adopted or passed as an official act of Grant Recipient’s governing body, directing and authorizing the person identified as the official representative, or the designee of Grant Recipient, to act in connection with the Agreement, to provide such additional information as may be required, to sign and execute the Agreement on behalf of Grant Recipient, and to validly and legally bind Grant Recipient to all of its terms, performances, and provisions.

2. **AFFIRMATIVELY FURTHER FAIR HOUSING** – Grant Recipient certifies that it will comply with the Fair Housing Act, as amended (42 U.S.C. §§3601 *et seq.*), and implementing regulations at 24 CFR Part 100, and that it will affirmatively further fair housing as specified by the Department.

3. **ANTI-LOBBYING** – Grant Recipient certifies that no federal appropriated funds have been paid or will be paid to any person or organization 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 on its behalf to obtain, extend, or modify this agreement or grant. If non-federal funds are used by Grant Recipient to conduct such lobbying activities, Grant Recipient shall promptly file the prescribed disclosure form. In accordance with 31 U.S.C. §1352(b) (5), Grant Recipient acknowledges and agrees that it is responsible for ensuring that each subrecipient and subcontractor certifies its compliance with the expenditure prohibition and the declaration requirement.

4. **CHILD SUPPORT PAYMENTS** – Grant Recipient represents and warrants that it will include the following clause in the award documents for every subaward and subcontract and will require subrecipients and subcontractors to certify accordingly: “Under Section 231.006 of the Texas Family Code, the vendor or applicant certifies that the individual or business entity named in this contract, bid or application is not ineligible to receive the specified grant, loan, or payment and acknowledges that this contract may be terminated and payment may be withheld if this certification is inaccurate. A bid or an application for a contract, grant, or loan paid from state funds must include the name and social security number of the individual or sole proprietor and each partner, shareholder, or owner with an ownership interest of at least 25 percent of the business entity submitting the bid or application.”

5. **CITIZEN PARTICIPATION** – Grant Recipient certifies it is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR §91.105.

6. **CLEAN AIR AND WATER POLLUTION CONTROL** – Grant Recipient represents and warrants that it will 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, as amended (33 U.S.C. §§1251-1387). Violations must be reported to the Regional Office of the Environmental Protection Agency (EPA).

7. **CONSERVATION** – Grant Recipient represents and warrants that it will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 *et seq.*), related to protecting components or potential components of the national wild and scenic river system.

8. **CONTRACT OVERSIGHT** – Grant Recipient represents and warrants that it will maintain oversight to ensure that all terms, conditions, and requirements of the agreement, including these certifications and assurances, are met and that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase

orders.

9. COMPLIANCE WITH LAWS, RULES AND REQUIREMENTS – Grant Recipient represents and warrants that it will comply and assure the compliance of all its subrecipients and contractors, with all award requirements imposed by applicable federal and state laws, rules, regulations, and policies in effect or hereafter established. In addition, Grant Recipient represents and warrants that it will comply with all requirements imposed by the Department concerning special requirements of law, program requirements, and other administrative requirements. In instances where multiple requirements apply to Grant Recipient, the more restrictive requirement applies.

10. CYBERSECURITY TRAINING (Local Government System) – Grant Recipient represents and warrants its compliance with Section 2054.5191 of the Texas Government Code relating to the cybersecurity training program for local government employees who have access to a local government computer system or database.

11. DEBARMENT AND SUSPENSION – Grant Recipient certifies that it and its principals are not suspended or debarred from doing business with the state or federal government as listed on the State of Texas Debarred Vendor List maintained by the Texas Comptroller of Public Accounts and the System for Award Management (SAM) maintained by the United States General Services Administration.

12. DISCLOSURE OF VIOLATIONS OF FEDERAL CRIMINAL LAW – Grant Recipient represents and warrants its compliance with 2 CFR §200.113, which requires the disclosure in writing of violations of federal criminal law involving fraud, bribery, and gratuity violations potentially affecting the award and the reporting of certain civil, criminal, or administrative proceedings to SAM.

13. DISCLOSURE PROTECTIONS FOR CERTAIN CHARITABLE ORGANIZATIONS – Grant Recipient represents and warrants that it will comply with Section 2252.906 of the Texas Government Code, relating to disclosure protections for certain charitable organizations, charitable trusts, and private foundations.

14. DISCRIMINATION PROHIBITED – In accordance with Section 2105.004 of the Texas Government Code, Grant Recipient represents and affirms that it will not use block grant funds in a manner that discriminates on the basis of race, color, national origin, sex, or religion.

15. DISPLACED PERSONS – Grant Recipient certifies that it will minimize displacement of persons as a result of activities performed under this award and that it will comply with requirements of the provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act (42 U.S.C. §§4601 – 4655) and implementing regulations at 49 CFR Part 24 and 24 CFR Part 42, Subpart A, which provide for fair and equitable treatment of persons displaced as a result of federal and federally-assisted programs. Grant Recipient further certifies that it has in effect and is following a residential anti-displacement and relocation assistance plan required under Section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with grant funds.

16. DISPUTE RESOLUTION – The dispute resolution process provided in Chapter 2009 of the Texas Government Code is available to the parties to resolve any dispute arising under the Agreement.

17. DRUG-FREE WORKPLACE – Grant Recipient represents and affirms that it shall comply with the applicable provisions of the Drug-Free Work Place Act of 1988 and maintain a drug-free work environment.

18. ENVIRONMENTAL STANDARDS – Grant Recipient certifies it will comply with environmental requirements of the National Environmental Policy Act (42 U.S.C. §§4321 *et seq.*) and related Federal authorities, including notification of violating facilities pursuant to Executive Order No. 11738.

19. EQUAL EMPLOYMENT OPPORTUNITY – Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60-1.3 must include the equal

opportunity clause provided under 41 CFR Part 60-1.4(b), in accordance with Executive Order No. 11246, "Equal Employment Opportunity," as amended by Executive Order No. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR Part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

Grant Recipient hereby agrees that it will incorporate or cause to be incorporated into any contract for construction work, or modification thereof, as defined in the regulations of the U.S. Secretary of Labor at 41 CFR Chapter 60, which is paid for in whole or in part with federal funds pursuant to a grant, contract, loan, insurance, or guarantee, or undertaken pursuant to any program involving such grant, contract, loan, insurance, or guarantee, the equal opportunity clause provided under 41 CFR Part 60-1.4(b).

20. **EXCESSIVE FORCE** – It has adopted and is enforcing a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations, and a policy of enforcing applicable state and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

21. **EXCLUDED PARTIES** – Grant Recipient certifies that it is not listed in the prohibited vendors list authorized by Executive Order No. 13224, "Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism," published by the United States Department of the Treasury, Office of Foreign Assets Control.

22. **FAIR LABOR STANDARDS** – Grant Recipient certifies that it will comply with the minimum wage and maximum hours provisions of the Federal Fair Labor Standards Act (29 U.S.C. §§201 - 219) and the Intergovernmental Personnel Act of 1970, as applicable.

23. **FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY** – Grant Recipient represents and affirms that it will comply with the Federal Funding Accountability and Transparency Act, as amended, requiring recipients and subrecipients of federal financial assistance to obtain a Unique Entity Identifier (UEI) number and will report the UEI number to the grantor as a condition of receiving a federal grant or award. Furthermore, Grant Recipient must be registered in the federal SAM and continue to maintain an active SAM registration with current information at all times during which the term of this award is in effect. Furthermore, no contract, award, subgrant will be made by Grant Recipient to another party if said party is listed in the Excluded Parties List System in the federal SAM.

24. **FLOOD INSURANCE** – Grant Recipient represents and warrants that it will comply with the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act (42 U.S.C. §4001 et seq), which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.

25. **HISTORIC PRESERVATION** – Grant Recipient assures compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 USC §470f), Executive Order No. 11593, and the Archeological and Historical Preservation Act of 1974 (54 USC §§312501 - 312508).

26. **LEAD-BASED PAINT** – Grant Recipient represents and warrants that it will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.), which prohibits the use of lead-based paint in construction or rehabilitation of residence structures, and the implementing regulations at 24 CFR Part 35.

27. **NONDISCRIMINATION** – Grant Recipient certifies that it will comply with all state and federal statutes relating to nondiscrimination, including the following:

- The Civil Rights Act of 1964, as amended (42 U.S.C. §§2000d *et seq.*);
- Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. §794);
- The Americans with Disabilities Act of 1990 (42 U.S.C. §§12101 *et seq.*); and
- The Age Discrimination Act of 1975 (42 U.S.C. §§6101 *et seq.*).

28. OPEN MEETINGS – If Grant Recipient is a governmental entity, Grant Recipient represents and affirms that it will comply with Texas Government Code, Chapter 551, which requires all regular, special or called meetings of a governmental body to be open to the public, except as otherwise provided by law or specifically permitted in the Texas Constitution.

29. POLITICAL ACTIVITY – Grant Recipient certifies that it will comply with provisions of federal law which limit certain political activities of employees whose principal employment is in connection with an activity financed in whole or in part by federal funds (5 U.S.C. §1501 *et seq.*).

30. REPORTING SUSPECTED FRAUD AND UNLAWFUL CONDUCT – Grant Recipient represents and warrants that it will comply with Section 321.022 of the Texas Government Code, which requires that suspected fraud and unlawful conduct be reported to the Texas State Auditor’s Office.

31. SECTION 3 – Grant Recipient certifies that it will comply with Section 3 of the Housing and Urban Development Act of 1968 and implementing regulations at 24 CFR Part 75, which require that employment and other economic opportunities arising in connection with housing rehabilitation, housing construction, or other public construction projects shall, to the greatest extent feasible, and consistent with existing Federal, State, and local laws and regulations, be given to low- and very low-income persons.

32. SPECIAL ASSESSMENTS – Grant Recipient represents and warrants that it will not attempt to recover any capital costs of public improvements assisted in whole or part with grant funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless (a) such funds are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from other revenue sources; or (b) for purposes of assessing any amount against properties owned and occupied by persons of moderate income, the jurisdiction certifies that it lacks sufficient grant funds to comply with the requirements of subclause (a).

33. CHANGE IN LAW AND COMPLIANCE WITH LAWS – Any alterations, additions, or deletions to the terms of the Agreement that are required by changes in federal or state law or regulations are automatically incorporated into the Agreement without written amendment hereto, and shall become effective on the date designated by such law or by regulation. Grant Recipient shall comply with all laws, regulations, requirements and guidelines applicable to a vendor providing services and products required by the Agreement to the State of Texas, as these laws, regulations, requirements and guidelines currently exist and as amended throughout the term of the Agreement. The Department reserves the right, in its sole discretion, to unilaterally amend the Agreement prior to award and throughout the term of the Agreement to incorporate any modifications necessary for the Department’s compliance, as an agency of the State of Texas, with all applicable state and federal laws, regulations, requirements and guidelines.

Failure to comply with applicable assurances may result in the withholding or suspension of funds, termination of the award, or other available remedies, and Grant Recipient may be ineligible for future awards if the Department determines that any of the following has occurred: (1) Grant Recipient has made false certification, or (2) Grant Recipient violated the certification by failing to carry out the requirements as noted above.

Failure to comply with applicable assurances may result in the withholding or suspension of grant funds, termination of the award, or other available remedies, and Grant Recipient may be ineligible for future awards if the Department determines that any of the following has occurred: (1) Grant Recipient has made false certification, or (2) Grant Recipient violated the certification by failing to carry out the requirements as noted above.

Violence Against Women Act (VAWA) Certification

Grant Recipient: _____

As Civil Rights Officer, I certify that the Grant Recipient is in compliance with the Violence Against Women Reauthorization Act of 2022.

The Grant Recipient has reviewed its ordinances, local regulations, and policies (collectively referred to as "policies") adopted by the local government and currently in effect, with the following results:

- No policies were identified that contain any financial or regulatory penalty imposed on property owners or residents as a result of any use of emergency services.

Or

- The following policies were identified that may contain financial or regulatory penalties imposed on property owners or residents as a result of any use of emergency services.

| Policy | Purpose of policy | Financial or regulatory penalty (or potential penalty) |
|--------|-------------------|--|
| | | |
| | | |
| | | |

The Grant Recipient commits to re-evaluating and addressing any policies identified above as follows:

The Grant Recipient understands that any policies identified above must be re-evaluated and addressed within the grant agreement period.

- A summary of efforts to evaluate alternative policies that do not impede the Right to Report Crime and Emergencies from One’s Home and a timeline for action on one or more alternatives must be submitted prior to the release of grant funds for construction.
- The timeline for implementation of alternative policies is subject to TDA review and approval; grant funds will be placed on hold if the Grant Recipient fails to comply with the requirements of this VAWA certification.

Name of Civil Rights Officer

Date policy review completed

Signature of Civil Rights Officer

Date of Certification

LINE ITEM 5

CITY OF PRESIDIO BUSINESS (NEW/OLD)

- g. Discussion / action on the TDEM TX 5161-4 (ARPA Funds)
 - 1. Project Status
 - 2. Deadlines for Obligation of Funds
 - 3. Update projects as needed
 - 4. Other grant matters