

WHEREAS, the County and City now desire to establish a partnership to collaborate with the City of Mercedes Water Well Project and create an alternative water source to mitigate water insecurity in disproportionately impacted communities to help mitigate the ongoing effects of COVID-19. To further these efforts, the County will designate a portion of the funds received from the SLFRF to be transferred to the City for the project which includes, but is not limited to design, specifications development, and construction development of the test well, and other necessary provisions;

WHEREAS, the goal of this program is to assist in promoting health and safety in disproportionately impacted communities and underserved residents who have been impacted by the COVID-19 public health emergency continue in an effort to facilitate the provisions of clean safe water in preventing and combating disease outbreaks such as COVID-19, to respond to the public health emergency in compliance with the terms and criteria of the SLFRF and as more fully described below; and

WHEREAS, amounts paid from the SLFRF are subject to restrictions outlined in the Guidance and as set forth in section 603(c) of the Social Security Act, as added by section 9901 of the American Rescue Plan Act; and

WHEREAS, the SLFRF further requires that all recipients and sub-recipient(s) comply with certain terms and conditions more particularly described below and in the Guidance attached as **Exhibit “A”** as well as any future guidance provided by the U.S. Department of Treasury; and

WHEREAS, County and City desire to amend this agreement for a public purpose and for the benefit of those residents of the County and City and to further detail each party’s duties and responsibilities; and

NOW THEREFORE, County and City in consideration of the mutual covenants expressed hereinafter, agree to amend the agreement:

1. SECTION III, TERMS AND CONDITION AND PROPOSED PLAN is hereby modified, revised or replaced as follows:

“3.1 City represents that it has read and understood the terms and conditions of the SLFRF attached hereto as **Exhibit “A”** and as a condition of being a sub-recipient of SLFRF, City agrees to comply with all terms and conditions required of entities accepting funds through a sub-recipient agreement and City further warrants and represents to the County that the funds it will expend meet the criteria allowed under the SLFRF as outlined below:

The ARPA provides that payments from the SLFRF may only be used to fund eligible uses, and specifically in this instance funds are being transferred —

To assist the City in development of the City of Mercedes Water Well Project which seeks to create an alternative safe and clean water source to mitigate water insecurity in order to

promote improved health and safety outcomes for those in disproportionately impacted communities to help mitigate the ongoing effects of COVID-19, which includes underserved residents who have been impacted by the public health emergency; the funds will ensure the residents continue to have access to the provisions of clean safe water in preventing and combating disease outbreaks such as COVID-19 during public health emergencies. The creation of an alternative water source shall include, but is not limited to design, specifications development, and construction development of the test well, and other necessary provisions, thereby increasing and improving community quality of life in response to the negative impacts of the public health emergency.

As related to the eligible use identified above, costs should be incurred and/or obligated on or after March 3, 2021, and should be expended upon completion of the City of Mercedes Water Well Project, and/or by December 31, 2026, whichever occurs first.

For purposes of the ARPA Funds, *incurred* means the unit of local government (sub-recipient) has expended the funds to cover the costs of an eligible expense. Examples of eligible expenses and prohibited costs may be found in the Guidance, version 5.3 dated December 14, 2023, in the Interim Final Rule dated May 17, 2021, and in The Final Rule dated January 6, 2022, provided in the attached **Exhibit “A”**, and in the additional SLFRF FAQ’s and guidance provided by the U.S. Department of Treasury (dated May 27, 2021, June 8, 2021, June 17, 2021, June 23, 2021, June 24, 2021, July 14, 2021, July 19, 2021, November 15, 2021, January 2022, April 27, 2022, July 27, 2022, April 10, 2023, February 1, 2024, March 5, 2024, March 29, 2024, and any subsequent amendments thereafter) which are attached hereto and incorporated by reference herein as **Exhibit “B” (to include any future updated guidance from the U.S. Treasury)**.

3.2 County has designated funds in the amount of **\$150,000.00** to be allocated to the City for eligible expenses for the City of Mercedes Water Well Project that seeks to create an alternative water source to mitigate water insecurity in order to promote improved health and safety outcomes for those in disproportionately impacted communities to help mitigate the ongoing effects of COVID-19, and ensure the residents continue to have access to the provisions of clean safe water in preventing and combating disease outbreaks, through the design, specifications development, and construction development of the test well, and other necessary provisions, thereby increasing and improving community quality of life in response to the negative impacts of the public health emergency. City shall submit requests to COUNTY on the prescribed Cost Reimbursement/Payment Request Form attached as **Exhibit “C”**, and related documentation for expenses, pursuant to the paragraph (3.3) of this Agreement. COUNTY will disburse funds within thirty (30) days upon receipt of a proper Cost Reimbursement/Payment Request form and internal review and audit procedures. Requests shall be submitted to COVID-19@auditor.co.hidalgo.tx.us. City understands that funds will be disbursed on a reimbursement basis.

3.3 In consideration of the City’s representation that it will comply with the terms of the SLFRF and further agrees to comply with the terms of this sub-recipient Agreement, City shall deliver a copy of all related supporting expense documentation, along with the Cost Reimbursement/Payment Request form (attached hereto and incorporated by reference as **Exhibit “C”**), and the final report of COVID-19 related expenditures to COUNTY no later than December 31, 2024, and shall keep the supporting documentation for a minimum of five (5) years. City shall give The United States Treasury Department, the Special Inspector General of the U.S. Department of Treasury, the Comptroller General of the United States, County, County Auditor, and any of their duly authorized representative, unobstructed and full access to and the right to examine all books, accounts, records, reports, files, and other papers, things or property belonging to or in use by City pertaining to this Agreement as it pertains to the use of federal funds.

3.4 City agrees to notify County in writing and obtain from County written approval, prior to any proposed changes, delays or departures from their proposed City of Mercedes Water Well Project plan, and/or the requirements of this Agreement. Budget adjustments will be considered and may be submitted to the, Hidalgo County Budget Officer, with final approval of the Hidalgo County Commissioners Court.

3.5 County will not be liable for costs incurred by City before commencement of this Agreement or after termination of this Agreement and will not be responsible for reimbursements pertaining to costs incurred that are not in compliance with this Agreement. City further represents and understands that amounts transferred to City will be released contingent upon submission of an eligible City of Mercedes Water Well Project plan with expenses incurred on or after March 3, 2021, which meet the criteria and Guidance provided by the U.S. Treasury and County. **See Exhibits “A” and “B”.**

3.6 Upon request, City agrees to provide County with copies of all current and applicable payment and overtime policies, workers compensation policies, retirement rates, unemployment rates, and any other reimbursable benefit and rates of payment as necessary for performance under this Agreement.”

2. **Except as modified herein, all terms and conditions of the Agreement, as amended, remain in full force and effect and CITY and COUNTY ratify and confirm the terms, and provisions of the Agreement as amended.**

WITNESS THE HANDS OF THE PARTIES effective as of the day and year first written above.

CITY OF MERCEDES

THE COUNTY OF HIDALGO

Oscar D. Montoya Sr., Mayor

Richard F. Cortez, County Judge

ATTEST

Arturo Guajardo, Jr., County Clerk

Approved by Hidalgo County Commissioners Court on _____

APPROVED AS TO FORM FOR COUNTY:
Office of Hidalgo County Criminal District Attorney,
Toribio "Terry" Palacios.

By: _____
Victor M. Garza, Chief Administrative Attorney



EXHIBITS

Exhibit - A

1. [State and Local Fiscal Recovery Funds Compliance and Reporting Guidance](#)
2. [Interim Final Rule](#)
3. [Final Rule](#)
4. [Award Terms and Conditions](#)
5. Any future updated guidance is to be included.

Exhibit - B

1. [Coronavirus State and Local Fiscal Recovery Funds FAQ, January 2022](#) Interim Final Rule
2. [Coronavirus State and Local Fiscal Recovery Funds FAQ, July 27, 2022](#) Final Rule
3. Any future updated guidance is to be included.

[US Department of the Treasury - Coronavirus State and Local Fiscal Recovery Funds](#)



HIDALGO COUNTY AUDITOR'S OFFICE American Rescue Plan Act (ARPA) Reimbursement/Payment Request Form

All parts of this form must be completed. *Incomplete forms will be returned.* The information must be legible. Please refer to the instructions page for proper completion of this form.

SECTION 1	ENTITY CONTACT INFORMATION					
	1. Entity Name:		2. Contact Name:		3. Contact Title:	
4. Mailing Address: (Street, city, state and ZIP code)			5. Contact Phone: _____ ext. _____			
SECTION 2	TYPE OF REQUEST					
	6. Payment Type: If this is a one time payment request, check box and enter request amount then proceed to Section 5. <input type="checkbox"/> \$ _____ If this is a periodic reimbursement request, check box then proceed to Section 3. <input type="checkbox"/>					
SECTION 3	ARPA EXPENDITURE INFORMATION					
	7. Report Period:		Begin Date	End Date	8. Payment Request No.: -	
	To Be Completed By Entity			Budget Office Use Only		
	9. Invoice No.	10. Check Date	11. Check No.	12. Check Amt.	14. Project Name	15. Approved Amt.
	13. TOTAL			\$ -	17. TOTAL	
SECTION 4	DOCUMENTATION CHECK LIST					
	Purchasing Policy (should only be provided once)		Quotes	Copies of cancelled checks		
	Sam.gov verification for each vendor		Bids	Invoices		
	Purchase Order for each invoice		Contracts	Detail Check History Report		
SECTION 5	ASSURANCES					
	18. This request is for necessary expenditures incurred due to the public health emergency with respect to COVID-19?				Yes	No
	19. Were the expenditures reported above incurred (paid) on or after March 3, 2021?				Yes	No
SECTION 6	CERTIFICATION					
	The undersigned hereby certifies under penalties of perjury that this request for reimbursement from the Coronavirus Local Fiscal Recovery Fund is true, complete, and accurate and the expenditures reported are in compliance with all conditions of section 603 of the Social Security Act, as added by section 9901 of the American Rescue Plan Act ("ARPA"). I am aware that any false, fictitious, or fraudulent information may subject me to criminal, civil, or administrative penalties.					
	21. Name:			22. Title:		
23. Signature:			24. Date:			
SECTION 7	SUBMISSION INFORMATION			FOR COUNTY USE ONLY		
	Submit completed form and supporting documentation via: email: ARPA@auditor.co.hidalgo.tx.us mail: Hidalgo County Auditor's Office Hidalgo County Administration Building 2808 South Business Highway 281 Edinburg, Texas 78539-6243			Budget Office		Auditor's Office
				25. Reviewed by: (signature)		28. Reviewed by: (signature)
				26. Name:		29. Name:
				27. Date:		30. Date:

HIDALGO COUNTY AUDITOR'S OFFICE

Instructions For American Rescue Plan Act (ARPA) Reimbursement Request Form

GENERAL INSTRUCTIONS

Please complete all sections of the Reimbursement Request Form and forward the completed form along with supporting documentation via:

email: APRA@auditor.co.hidalgo.tx.us
mail: HIDALGO COUNTY AUDITOR
ATTN: GRANTS DIVISION
Hidalgo County Administration Building
2808 South Business Highway 281
Edinburg, Texas 78539-6243

Please note that the review process takes anywhere from 10 to 30 days to complete. All payments will be paid via check.

Section 1: Entity Contact Information

1. **Entity Name:** Enter the name of the entity.
2. **Contact Name:** Enter the name of the person we should contact for questions related to the reimbursement request and/or supporting documentation.
3. **Contact Title:** Enter the title of the contact person.
4. **Mailing Address:** Enter the mailing address where reimbursement checks should be mailed.
5. **Contact Phone:** Enter the Contact's phone number (and ext., if applicable.)

Section 2: Type of Request

6. Payment Type:
- If this is one time payment request, check box and enter request amount then proceed to Section 5.
- If this is a periodic reimbursement request, check box then proceed to Section 3.

Section 3: ARPA Expenditure Information

7. **Report Period:** Enter the beginning and ending dates of the period covered by reimbursement request.
The Begin Date should not predate March 3, 2021.
8. **Payment Request No.:** Requests for reimbursement can be made by completing multiple request forms. Each request should be sequentially numbered using 3 letters of the entity and the number of the request. For example, the Entity would number its first payment request form as ENT-1, the second payment request form as ENT-2, and so on.

No. 9 - 13: To Be Completed by Entity

9. **Invoice No.:** Enter the invoice no. for which the entity is requesting reimbursement.
10. **Check Date:** Enter the date of the check used to pay for the invoice for which reimbursement is being requested.
11. **Check No.:** Enter the check number used to pay for the invoice for which reimbursement is being requested.
12. **Check Amt.:** Enter the amount of the check used to pay for the invoice for which reimbursement is being requested.
13. **Total:** Enter the total for all invoices for which reimbursement is being requested.

No. 14 - 16: To Be Completed by the Hidalgo County Budget Office

14. **Project Name:** Enter the project name assigned to the entity/contract.
15. **Approved Amount:** Enter the amount approved by the Budget Office for payment, after the documents have been reviewed.
16. **Expense Category:** Indicate the type of expenditure for which reimbursement is being requested. The category should agree to the ARPA allowed categories.
17. **Total:** Enter the total amount for all invoices approved by the Budget Office for payment.

Section 4: Documentation Check List

The documentation on the checklist is the minimum documentation required to support the reimbursement amount.
Additional information may be requested, as needed.

Section 5: Assurances

18. Indicate by checking either the **Yes** or **No** box whether the expenditures reported in Section 2 were incurred due to the public health emergency with respect to COVID-19.
19. Indicate by checking either the **Yes** or **No** box whether the expenditures reported in Section 2 were incurred (paid) on or after March 3, 2021.
20. Indicate by checking either the **Yes** or **No** box whether any part of the expenditures reported in Section 2 has been reimbursed by insurance, legal settlement, or any other emergency COVID-19 supplemental funding (whether federal, state, or private in nature).

Section 6: Certification

21. **Name:** Enter the name of the authorized representative signing this form.
22. **Title:** Enter the title of the authorized representative signing the form.
23. **Signature:** Original signature of the authorized representative is required.
24. **Date:** Enter or print the date the form was signed.

Section 7: For County Use Only

Budget Office

25. **Reviewed by:** Original signature of the employee responsible for reviewing the form and supporting documentation.
26. **Name:** Print the name of the reviewer.
27. **Date:** Print the date the review was completed.

Auditor's Office

28. **Reviewed by:** Original signature of the employee responsible for reviewing the form and supporting documentation.
29. **Name:** Print the name of the reviewer.
30. **Date:** Print the date the review was completed.

DRP-040 – City of Mercedes-New Water Well for Drought Resiliency

Project Narrative and Milestones

The Recipient will construct a new water production well located within the city limits of The City of Mercedes to provide an alternative water supply to meet supply needs during peak demand and to provide resiliency to drought and/or water supply emergencies. Once completed, the new well is expected to produce 2,240 acre-feet per year.

The project will be located within the city limits of City of Mercedes.
N 26°08'53.52", W 97°54'18.00"

The major components of the project include but are not limited to:

- Constructing a production well capable of producing up to 2 million gallons per day. The well be drilled approximately 400 feet deep.
- Installation of flowmeter and transducer to monitor groundwater.
- Installing needed piping infrastructure to connect the well to the water treatment plant.
- Installation of chlorine injection system.

Milestone/Task/Activity	Planned Start Date	Planned Completion Date
Survey and Engineering/Design	06/01/2025	12/31/2025
Environmental Compliance and Permits	08/01/2025	07/31/2026
Pilot well Drilling/Perform Tests	08/15/2026	010/15/2026
Construction	09/15/2026	12/15/2026
Project Closeout	12/15/2026	1/15/2027
Reporting to Bureau of Reclamation	11/15/2026	1/31/2026