TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
COLONIA SELF-HELP CENTER PROGRAM
CONTRACT NO. CSH24-0168 COUNTY OF WEBB, TEXAS

CFDA: 14.228 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
Awarding Federal Agency: U.S. Department of Housing and Urban Development
Federal Award Number(s): B-24-DY-48-001
Federal Award Year(s): 2024
Pass Through Entity: Texas Department of Housing and Community Affairs
HUD Entity Type: Administrator
TDHCA Award Year(s): 2024
Unique Entity Identifier Number: KJ57ZV6UCFB4

This **Colonia Self-Help Center ("CSHC") Program Contract No. CSH24-0168 ("Contract")** is made and entered into by and between the **TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS**, a public and official agency of the State of Texas (**"Department"**), and **COUNTY OF WEBB, TEXAS**, a political subdivision of the State of Texas (**"Administrator"**), collectively the (**"Parties"**).

RECITALS

WHEREAS, the Department has entered into a Memorandum of Understanding (**"MOU"**) with the Texas Department of Agriculture (**"TDA"**) to administer a portion of the Community Development Block Grant funds (**"CDBG Funds"**) granted to TDA by the U.S Department of Housing and Urban Development (**"HUD"**);

WHEREAS, the Department, through the MOU, has the authority to make a subaward or otherwise contract with eligible organizations to participate in the administration of the CSHC Program in accordance with the Program Requirements;

WHEREAS, by the Department's execution of this Contract, the Department hereby certifies that the Administrator is a Colonia Self-Help Center based on representations made in its application for funding under the CSHC Program, which the Department has relied on as being true and correct;

WHEREAS, the governing board of the Department (**"Board"**) adopted Title 10, Part 1, Chapter 1 (**"Administration"**), Chapter 2 (**"Enforcement"**), Chapter 20 (**"Single Family Programs Umbrella Rule"**), Chapter 21 (**"Minimum Energy Efficiency Requirements for Single Family Construction Activities"**), Chapter 25 (**"Single Family CSHC Program Rule"**), of the Texas Administrative Code (**"TAC"**) (collectively, **"State CSHC Rules"**), applicable to this Contract which set forth, among other things, the rules and requirements by which the Department will administer the CDBG Funds;

WHEREAS, the Department is authorized to enter into this Contract with the Administrator in order for the Administrator to operate a Colonia Self-Help Center in a non- entitlement area, or will serve a Colonia in an entitlement county that has a population of less than one million persons, and Administrator agrees to administer the CSHC Program in in accordance with the Program Requirements

(**"Program Requirements"**) which include but are not limited to: the terms and conditions set forth herein with Title I of the Housing and Community Development Act of 1974, as amended (42 U.S.C. §5301 *et seq.*) and CPD Notice 12-008 together the (**"Federal Act"**); Chapter 2306 of the Texas Government Code(**"State Act"**); Chapter 2105 of the Texas Government Code; Texas Grant Management Standards, the State CSHC Rules; the terms of this Contract; and the certifications attached hereto as Addendums A, B, and C; the exhibits attached hereto as Exhibit A and B, and all the attachments hereto, incorporated herein for all relevant purposes, as may be amended from time to time; and any applicable Notice of Funding Availability (**"NOFA"**).

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and conditions set forth herein, including the Recitals, which are contractual in nature, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, each intending to be legally bound, hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1 General.

Unless the context clearly indicates otherwise, a capitalized term used in this Contract shall have the meaning assigned to it as stated in this Contract. If a capitalized term is used herein but not defined, the term shall have the meaning assigned to it as defined in the Program Requirements. In case of a conflict between the State CSHC Rules with respect to the meaning of a capitalized term, the meaning assigned by HUD in the Federal Act and its implementing federal regulations shall control.

ARTICLE II
CONTRACT TERM

The Contract Term is specified and defined in the "Performance Statement" attached hereto as Exhibit A.

ARTICLE III
CONTRACT ADMINISTRATION

Section 3.1 General. This Contract is entered into in accordance with the Program Requirements. Execution of this Contract does not guarantee the availability of funds to carry out the Activities described herein.

Section 3.2 Limitation of Liability. Notwithstanding any other provision of this Contract, the Department's total obligation and payment under this Contract shall not exceed the amounts available in accordance the "Contract Budget" attached hereto as Exhibit B. The Department reserves the right to make any appropriate adjustments or limitations to costs and/or expenses. Failure to expend in accordance with Exhibits A and B may result in the Department taking actions outlined in 10 TAC §20.14 and 10 TAC §1.411.

Section 3.3 Reimbursement. For completed Activities, Administrator may receive reimbursement in accordance with the "Contract Budget" attached hereto as Exhibit B.

Section 3.3 Program Activities. The Administrator hereby agrees to perform the obligations under the Contract in accordance with: the Federal Act and Program Requirements, "Performance Statement" attached hereto as Exhibit A; the "Contract Budget" attached hereto as Exhibit B; the "Certification Regarding Lobbying for Contracts, Grants, Loans and Cooperative Agreements" attached hereto as Addendum A; Certification Regarding Drug-Free Workplace Requirements attached hereto as Addendum B, the Certification Regarding Debarment, Suspension and Other Responsibility Matter attached hereto as Addendum C, the assurances, certifications, and all other statements made by the Administrator in its application for the activity funded under this Contract; and with all other terms, provisions, and requirements set forth in this Contract. Administrator shall ensure that the persons to benefit from the activities described in the Performance Statement are receiving the service or a benefit before submitting the project completion report to the Department.

Section 3.4 Direct Delivery Costs. All direct delivery costs must be eligible and based on actual expenses for the specific housing Unit in accordance with the "Performance Statement" attached hereto as Exhibit A.

Section 3.5 Travel. Administrator shall adhere to 2 CFR §200.474 and either its board-approved travel policy (not to exceed the amounts established in Subchapter I of Chapter 57 of Title 5, United States Code ``Travel and Subsistence Expenses; Mileage Allowances"), or the State of Texas travel policies under 10 TAC §1.408. Administrator's written travel policy shall delineate the rates which Administrator shall use in computing the travel and per diem expenses of its board members and employees.

Section 3.3 Service Area. Reimbursements for funds for the operation of CSHCs is limited to areas located in the Colonias specifically identified in the "Performance Statement" attached hereto as Exhibit A.

Section 3.4 Targeted Households. Each Household served with Reconstruction, Rehabilitation, or New Construction must meet the definition of an Income Eligible Household, as determined in accordance with the Program Requirements.

Section 3.5 Construction and Inspection Standards.

A. General. An Administrator under the CSHC Program must adhere to the Program Requirements related to the Inspection Requirements for Construction Activities under the Single Family Programs Umbrella Rule, the Minimum Energy Efficiency Requirements for Single Family Construction Activities under Chapter 21, further requirements in the Single Family CSHC Program

Rule, the State Act, Federal Act, and the requirements pursuant to this Contract. Inspections must be performed in accordance with 10 TAC §20.9, Inspection Requirements for Construction Activities. Residential housing units participating in this CSHC program and receiving utility connections only are exempt from compliance with this Section 3.5.

B. New Construction and Reconstruction Standards. Reconstructed and newly constructed housing units must meet the local adopted code or, in the absence of local adopted code, must meet at a minimum the 2015 International Residential Code (not including §P2904, "Dwelling Unit Fire Sprinkler Systems"). The homes must also meet the "Texas Building Energy Performance Standards"' in Chapter 388 of the Texas Health and Safety Code, the "Construction Requirements for Single Family Affordable Housing" in Section 2306.514 of the State Act; and all other applicable Program Requirements, codes, requirements, zoning ordinances.

C. Rehabilitation Standards. For all housing rehabilitation activities, the housing must meet the applicable requirements of the Texas Minimum Construction Standards ("**TMCS**"). Specific exceptions to certain requirements of the TMCS may be granted by the Department on a case-by-case basis as outlined in the TMCS exception request process. In no event will an exception be granted if such an exception would permit an imminent threat to the life, health, or safety of the occupant.

D. Public Facility Standards. Activity Not Allowed Under This Contract.

Section 3.6 Insurance and Bonding Requirements.

A. Administrator shall maintain sufficient reserves to protect against the hazards arising out of or in connection with the performance of this Contract. Administrator is encouraged to obtain pollution occurrence insurance in addition to the general liability insurance. Generally, regular liability insurance policies do not provide coverage for potential effects of many health and safety measures, such as lead disturbances and other pollution occurrence items. Administrator should review existing policies to determine if lead contamination is covered.

B. Administrator shall comply with the bonding requirements in 10 TAC §1.405.

ARTICLE IV
DISBURSEMENT OF CDBG FUNDS

Section 4.1 Disbursement of Funds.

A. Request for Funds and Disbursement. Administrator may not request disbursement of funds for eligible costs incurred under this Contract until the funds are needed for payment of eligible costs in accordance with the Program Requirements. Administrator shall submit to Department at its offices in Travis County, Texas, a properly completed electronic request for funds and support documentation in accordance with the Program Requirements and as required and as specified by Department in its sole discretion.

B. Department Approval. The Department shall determine the reasonableness of each amount requested and shall not make disbursement of any such payment until the Department has reviewed and approved such request. The Department may request Administrator to make modifications to the disbursement request and is authorized to modify the disbursement procedures set forth herein as may be necessary or advisable for compliance with the Federal Act and Program Requirements.

C. Training. Administrator agrees to attend training, as may be required by Department, prior to the disbursement of any funds under this Contract.

D. Execution of Loan or Grant Documents. As a condition precedent to the disbursement of any funds under this Contract, the Administrator shall have executed and delivered this Contract to the Department and shall have provided to the Department all executed, legally enforceable loan and/or grant documents, as applicable, and any other documents reasonably requested by the Department in connection herewith.

E. Direct Deposit Authorization. The Department shall not release any funds under this Contract until the Department has received a properly completed Direct Deposit Authorization form from Administrator and all Contract start-up documentation required by the Department.

F. Refund. Administrator shall refund to the Department any sum of money which has been paid to the Administrator by the Department, which the Department determines has resulted in overpayment to the Administrator, or which the Department determines has not been spent by the Administrator strictly in accordance with the terms of this Contract. Such refund shall be made by the Administrator to the Department within ten (10) calendar days after such refund is requested bythe Department.

G. Fiscal Controls. The Department shall not release CDBG funds for any costs incurred by Administrator under this Contract until the Department has received certification from Administrator that its fiscal controls and fund accounting procedures are adequate to assure the proper disbursal of, and accounting for, funds provided under this Contract. The Department shall specify the content and form of such certification.

F. Costs Incurred Outside of Contract Term. The Department shall not be obligated to pay for costs incurred or performances rendered by Administrator outside the Contract Term, unless otherwise specified. Eligible costs incurred for administration shall be reimbursed in accordance with the Performance Statement of this Contract. Documentation for reimbursement of costs incurred in accordance with this paragraph must be submitted in accordance with this Section 4.1 and before the sixtieth (60th) day after the termination date.

H. Withholding of Payments. In addition to the limitations on liability otherwise specified in this Contract, it is expressly understood and agreed by the Parties that if the Administrator fails to submit to the Department in a timely and satisfactory manner any report required by this Contract, the Department may, at its sole option and in its sole discretion, withhold any or all payments otherwise due or requested by the Administrator. If the Department withholds such payments, it shall notify the Administrator in writing of its decision and the reasons therefore.

Payments withheld pursuant to this paragraph may be held by the Department until such time as the delinquent obligations for which funds are withheld are fulfilled by the Administrator.

I. Suspension and Termination. Disbursements withheld pursuant to this section may be held by Department until such time as the Administrator is in compliance with the requirements for which funds are being withheld. If Administrator fails to perform as required within the stated cure period, Department may terminate this Agreement in accordance with Section 9.3 of this Contract and Administrator hereby agrees and acknowledges that upon termination, Administrator's rights to any funds shall be terminated.

ARTICLE V
CHANGES, AMENDMENTS, AND EXTENSIONS

Section 5.1 Changes, Amendments and Extensions

A. General. Except as specifically provided otherwise in this Contract or in Program Rules, any changes, additions, or deletions to the terms of this Agreement shall be in writing and executed by both Parties to this Contract in accordance with Section 20.13 of the Single Family Programs Umbrella Rule.

B. Extensions and Fund Increases. Except as specifically provided otherwise in this Contract, any extensions to this contract or increases in fund amounts under the Contract Budget shall comply with sections 20.13 and 25.8(e) of the State CSHC Rules.

C. Amendments and Changes Required by Law. Any changes, additions, or deletions to the terms of this Contract which are required by changes in federal or state law, or regulations, are automatically incorporated into this Contract without the requirement of a written amendment hereto, and shall become effective on the date designated by such law or regulation. Said changes, additions, or deletions referenced under this Subsection C may be further evidenced in a written amendment.

Section 5.2 Facsimile Signatures

A facsimile or electronic copy executed by both Parties will be sufficient to evidence the Parties agreement to any amendment, revision or change to this Contract. If any Party returns this copy by facsimile machine or electronic transmission, the signing Party intends the copy of its authorized signature printed by the receiving machine or electronic transmission, to be its original signature.

Section 5.3 Modifications to Loan Documents

If any amendment to this Contract affects the loan documents, the loan documents will be modified accordingly at the expense of the Administrator or borrower beneficiary in accordance with 10 TAC §20.13.

ARTICLE VI
CROSS-CUTTING FEDERAL REQUIREMENTS

Section 6.1 Environmental Clearance Requirements

A. The environmental effects of any activity carried out with funds provided under this Contract must be assessed in accordance with the provisions of the Colonia Self-Help Center Program Rule, National Environmental Policy Act of 1969 ("**NEPA**") (42 U.S.C. §432 *et seq.)* and the related activities listed in HUD's implementing regulations at 24 CFR Parts 50, 51, 55, and 58 (NEPA regulations). This includes responsibility for compliance with the applicable provisions and requirements of the "Related Federal Laws and Authorities" specified in 24 CFR §58.5. Each such activity must have an environmental review completed and support documentation prepared complying with NEPA. No funds may be requested or committed to an activity before the completion of the environmental review process, including the requirements of 24 CFR §58.6 and the Department has provided written clearance.

B. Administrator is delegated authority as the Responsible Entity ("**RE**") and makes all environmental clearance determinations. The Department assumes the role of HUD pursuant to 24 CFR Part 58, "Subpart H – Release of Funds for Particular Projects" and is responsible for reviewing and approving the Request for Release of Funds and granting the recipient the Authority to Use Grant Funds. Part 58, "Subpart H – Release of Funds for Particular Projects" and is responsible for reviewing and approving the Request for Release of Funds and granting the recipient the Authority to Use Grant Funds.

C. Administrator may be required to attend training for environmental assessment. The assessments must be satisfactory to the Department. This Contract is conditional in nature and does not grant Administrator legal claim to any CDBG funds for a specific activity or site until the environmental review process is approved by the Department. The agreement to provide funds to the activity is conditional on the Department's or Administrator's determination to proceed with, modify or cancel the activity based on the results of a subsequent environmentalreview.

D. Funds provided under this Contract may not be used in connection with acquisition or rehabilitation or new construction of housing located in an area identified by the Federal Emergency Management Agency ("**FEMA**") as having special flood hazards, unless the locality in which the site is located is participating in the National Flood Insurance Program ("**NFIP**") or less than a year has passed since FEMA notification regarding such hazards and flood insurance is obtained as a condition of approval of the commitment. Administrator must determine if the locality participates in the NFIP during the preliminary stages of the environmental clearance process.

E. Administrator, subgrantee or subcontractor may not commit or expend any funds provided under this Contract on construction until an environmental review that meets the standards required in this Section 6.1 has been reviewed and approved in writing by the Department. Funds provided under this Contract may be obligated and expended before the actions specified in this Section 6.1 occur only for the following eligible activities:

1. The payment of reasonable planning and administrative costs related to the activity;
2. Environmental studies, including environmental clearance activities required by this Section 6.1; and
3. The payment or reimbursement of reasonable project engineering and design costs incurred for this activity.

Section 6.2 Affirmative Marketing and Advertising.

Administrator shall adopt affirmative marketing procedures and requirements in accordance with 10 TAC §20.8. The affirmative marketing procedures and requirements shall include, but not be limited to, those specified in 24 CFR §570.487(b) and FR-4878-N-02. Administrator shall maintain and abide by an affirmative marketing plan which shall be designed to attract beneficiaries and employees from all racial, ethnic/national origin, sex, religion, familial status and persons with special needs groups, and shall require all press releases and written materials, advertising or promoting of an activity to, when feasible, include the equal housing opportunity logo or slogan. Administrator further agrees to maintain documents and records evidencing its compliance with said plan and the affirmative marketing requirements.

Section 6.3 Labor Standards.

A. Administrator understands and acknowledges that every contract for the construction (rehabilitation or new construction) of housing that includes 8 or more units must contain provisions in accordance with the Davis-Bacon Act (40 U.S.C. §§3141-3144 and 3146-3148 and 24 CFR §570.603 requiring the prevailing wage on similar developments in the locality, if such a rate category exists, established by the U.S. Department of Labor, or the appropriate rate as determined by the Secretary of the U.S. Department of Labor, to all laborers and mechanics employed in the construction of the housing assisted under this Contract. Contracts involving their employment shall be subject to the provisions, as applicable, of the Contract Work Hours and Safety Standards Act (40 U.S.C. §§3701-3708) as supplement by the Department of Labor regulations ("Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction" at 29 CFR Part 5), Copeland (Anti-Kickback) Act (40 U.S.C. §3145 *et seq.*) and 24 CFR Part 70 (with regards to volunteers).

B. Administrator understands that structuring the proposed assistance for the rehabilitation or construction of housing to avoid the applicability of the Davis-Bacon Act is prohibited.

C. Construction contractors and subcontractors must comply with regulations issued under these federal acts described herein, with other federal laws and regulations pertaining to labor standards and HUD Handbook on Federal Labor Standards Compliance in Housing and Community Development Programs, as applicable.

D. Administrator shall maintain a retainage in the amount of five percent (5%) of each construction or rehabilitation subcontract entered into by the Administrator until the Department determines that the Federal labor standards requirements applicable to each such subcontract have been satisfied.

E. Administrator shall not advertise or solicit bids for construction or rehabilitation of an activity assisted with funds provided under this Contract until the Administrator has received the applicable prevailing wage rates from the Department, if applicable.

Section 6.4 **<u>Displaced Persons.</u>**

A. Administrator shall comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. §4201 *et seq.*) and its implementing regulations at 49 CFR Part 24, and Section 104 (d) of the Housing and Community Development Act set out in 24 CFR Part 42.

B. Administrator must ensure that it has taken all reasonable steps to minimize the displacement of persons (families, individuals, businesses, nonprofit organizations, and farms) as a result of an activity assisted with CDBG funds.

C. Administrator shall follow HUD Handbook 1378.

D. Funds under this Contract shall not be utilized to pay relocation assistance costs. Purchase of a dwelling occupied by a renter or removal of an occupied unit on a property other than the homeowner occupied dwelling is subject to the Uniform Relocation Act (**"<u>URA</u>"**). Administrator must ensure compliance with federal relocation assistance regulations including payment of moving expenses and relocation housing payments.

Section 6.5 **<u>Lead-Based Paint.</u>**

Administrator shall comply with 24 CFR §570.608. CDBG is subject to the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. §§4851-4856), and implementing regulations Title X of the 1992 Housing and Community Development Act at 24 CFR Part 35, (including subparts A, B, J, K, M and R). Administrator shall also comply with the Lead: Renovation, Repair, and Painting Program Final Rule (40 CFR Part 745) and Response to Children with Environmental Intervention Blood Lead Levels. Failure to comply with the lead-based paint requirements may be subject to sanctions and penalties pursuant to 24 CFR §35.170.

Section 6.6 **<u>Section 3 Compliance.</u>**

A. The work to be performed under this Contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended by 12 U.S.C. §1701u ("**<u>Section 3</u>**"). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted activities covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. Administrator agrees to comply with HUD's regulations in 24 CFR Part 75, which implement Section 3. As evidenced by their execution of this Contract, the Administrator certifies that it is under no contractual or other impediment that would prevent complying with 24 CFR Part 75.

C. Administrator agrees to send to each labor organization or representative of workers with which the Administrator has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Administrator's commitments under this Section 6.6 of the Contract, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. Administrator will certify that any vacant employment positions, including training positions, that are filled (1) after a contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 75 require employment opportunities to be directed, were not filled to circumvent the Administrator's obligations under 24 CFR Part 75.

E. Noncompliance with HUD's regulations in 24 CFR Part 75 may result in sanctions, termination of this Contract for default, and debarment or suspension from future HUD assisted contracts.

F. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. §450e) ("**Section 7b**") also applies to the work to be performed under this Contract. Section 7(b) requires that to the greatest extent feasible (1) preference and opportunities for training and employment shall be given to Indians, and (2) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this Contract that are subject to the provisions of Section 3 and Section 7b agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7b.

G. Administrator agrees to include this Section 3 clause in every subgrant or subcontract subject to compliance with regulations in 24 CFR Part 75 and agrees to take appropriate action, as provided in an applicable provision of the subgrant or subcontract or in this Section 3 clause, upon a finding that the subgrantee or subcontractor is in violation of the regulations in 24 CFR Part 75. Administrator will not subgrant or subcontract with any entity where the Administrator has notice or knowledge that the entity has been found in violation of the regulations in 24 CFR Part 75.

Section 6.7 Equal Employment Opportunity Program

The Administrator agrees to carry out an Equal Employment Opportunity Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1965, as amended, and its implementing regulations at 41 CFR Part 60.

Section 6.8 Limited English Proficiency ("LEP")

Administrator shall comply with the requirements in Executive Order 13166 of August 11, 2000, reprinted at 65 FR 50121, August 16, 2000 Improving Access to Services for Persons with Limited English Proficiency and 67 FR 41455. To ensure compliance the Administrator must take reasonable steps to insure that LEP persons have meaningful access to the program and activities. Meaningful access may entail providing language assistance services, including oral and written translation, where necessary.

Section 6.9 Minority/Women's Business Enterprise

The Administrator will use its best efforts for minority outreach to afford minority business enterprises and women's business enterprises the maximum practicable opportunity to participate in the performance of this Contract and must prescribe procedures acceptable to HUD for a minority outreach program under Executive Orders 11625, 12432, and 12138. The Administrator may rely on written representations by businesses regarding their status as minority and women-owned business enterprises in lieu of an independent investigation.

Section 6.10 Procurement of Recovered Materials

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

Section 6.11 Drug-Free Workplace

Administrator will follow the Drug-Free Workplace Act of 1988 (41 U.S.C §701 *et seq.*) and HUD's implementing regulations including, without limitation, 2 CFR Parts 182 and 2429. Administrator affirms by executing the "Certification Regarding Drug-Free Workplace Requirements" attached hereto as Addendum B, that it is implementing the Drug-Free Workplace Act of 1988.

Section 6.12 Affirmatively Furthering Fair Housing

By Administrator's execution of this Contract, Administrator agrees to use funds in a manner that follows the "State of Texas's Analysis of Impediments" and will maintain records in this regard.

Section 6.13 Information Security and Privacy Requirements.

A. General. Administrator shall comply with the information security and privacy requirements under 10 TAC §1.24 to ensure the security and privacy of Protected Information (as said term is defined under 10 TAC §1.24).

B. Information Security and Privacy Agreement ("**ISPA**"). Prior to beginning any work under this Contract, Administrator shall either (i) have an effective, fully executed ISPA, as required by 10 TAC §1.24, on file with the Department, or (ii) will execute and submit to the Department an ISPA in accordance with instructions found on the Department's website at the "Information Security and Privacy Agreement" link.

Section 6.14 Privacy Laws

Subject to Open Records provision in Subsection D, Section 7.1 of the Contract, Administrator shall comply with the privacy laws, as applicable, under the Gramm-Leach-Bliley Act ("**GLBA**") (15 U.S.C. §6801 *et seq.*) and its implementing regulation at 12 CFR Part 1016 ("**Regulation P**"), as said laws may be amended from time to time, when sharing nonpublic personal information with third parties. Administrator may only share personal information of Qualified Household for its everyday business purposes in the performance of this Contract. Administrator agrees that it will not market any personal information, public or nonpublic, obtained from Qualified Household for any reason.

Section 6.15 Equal Credit Opportunity Act

Administrator shall assist the Department in its compliance with all federal and state laws and regulations relating to the extension of credit including the Equal Credit Opportunity Act ("**ECOA**") (15 U.S.C. 1691 *et seq.*) and its implementing regulation at 12 CFR Part 1002 ("**Regulation B**"), as said laws and regulations may be amended from time to time.

Section 6.16 Prevention of Trafficking

Administrator and its contractors must comply with Section 106(g) of the Trafficking Victims Protection Act of 2000, as amended (22 U.S.C. §7104 *et seq.*). If Administrator or its contractor or subcontractor engages in, or uses labor recruiters, brokers or other agents who engage in any of the prohibited activities under Section 106(g) of the Trafficking Victims Protection Act of 2000, Department may terminate this Contract and Administrator hereby agrees and acknowledges that upon termination, Administrator's rights to any funds shall be terminated.

Section 6.17 Clean Air Act and Federal Water Pollution Control Act.

Administrator 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).

Section 6.18 Faith Based and Sectarian Activity.

Funds provided under this Contract may not be used for explicitly religious activities, such as worship, religious instruction, or proselytization, as part of the programs or services funded with direct financial assistance from the Department. If an organization conducts such activities, the activities must be offered separately, in time or location, from the programs or services funded with direct financial assistance from the Department, and participation must be voluntary for beneficiaries of the programs or services funded with such assistance Subrecipient shall comply with the regulations in 24 CFR §5.109 and 24 CFR §570.200(j).

Section 6.19 Special Conditions.

A. For Profit Entities. CDBG funds may not be provided to a for-profit entity pursuant to section 105(a)(17) of the Act unless such activity or project has been evaluated and selected in accordance with Appendix A to 24 CFR 570 - "Guidelines and Objectives for Evaluating Project Costs and Financial Requirements." (Source - P.L. 113-235, Consolidated and Further Continuing Appropriations Act, 2015, Division K, Title II, Community Development Fund).

B. Water and Wastewater. E.O. 12372-Special Contract Condition - Notwithstanding any other provision of this agreement, no funds provided under this Contract may be obligated or expended for the planning or construction of water or sewer facilities until receipt of written notification from the Department of the release of funds on completion of the review procedures required under Executive Order (E.O.) 12372, Intergovernmental Review of Federal Programs, and HUD's implementing regulations at 24 CFR Part 52. The recipient shall also complete the review procedures required under E.O. 12372 and 24 CFR Part 52 and receive written notification from Department of HUD's release of funds before obligating or expending any funds provided under this agreement for any new or revised activity for the planning or construction of water or sewer facilities not previously reviewed under E.O. 12372 and implementing regulations.

C. Eminent Domain. Administrator shall ensure that no CDBG funds are used to support any Federal, State, or local projects that seek to use the power of eminent domain, unless eminent domain is employed only for a public use. For the purposes of this requirement, public use shall not be construed to include economic development that primarily benefits private entities. Any use of funds for mass transit railroad, airport, seaport or highway projects as well as utility projects which benefit or serve the general public (including energy-related, communication related, water- related and wastewater-related infrastructure), other structures designated for use by the general public or which have other common-carrier or public-utility functions that serve the general public and are subject to regulation and oversight by the government, and projects for the removal of an immediate threat to public health and safety or brownfield as defined in the Small Business Liability Relief and Brownfields Revitalization Act (Public Law 107 118) shall be considered a public use for purposes of eminent domain.

D. Exchange of Funds. Administrator may not sell, trade, or otherwise transfer all or any such portion of such funds to another such entity in exchange for any other funds, credits or non-Federal considerations, but must use such funds for activities eligible under Title I of the Federal Act.

Section 6.20 Prohibited Expenditures on Certain Telecommunications and Video Surveillance Services and Equipment.

A. General. Pursuant to 2 CFR §200.216, Administrator and its contractors are prohibited from using funds under this Contract for equipment, services, or systems that use the following covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system in accordance with Section 889 of Public Law 115-232 (National Defense Authorization Act 2019) or enter into, extend, or renew a contract to procure the following covered telecommunications equipment or services:

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

2. For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).

3. Telecommunications or video surveillance services provided by such entities or using such equipment.

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

5. Systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.

B. Subgrant and Subcontracts. Administrator must incorporate this prohibition in any subgrant or subcontract and require its subgrantees and subcontractors to incorporate this requirement into any agreements.

Section 6.21 Nondiscrimination, Fair Housing, Equal Access and Equal Opportunity

A. Administrator shall ensure that no person shall, on the grounds of race, color, religion, sex, disability, familial status, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds provided under this Contract. Administrator shall follow Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. §2000d *et seq.*), the Age Discrimination Act of 1975 (42 U.S.C. §6101 *et seq.)* and its implementing regulations at 24 CFR Part 146, Titles II and III of the Americans with Disabilities Act (42 U.S.C. §§12131-12189; 47 U.S.C. §§155, 201, 218 and 255) as implemented by U. S. Department of Justice at 28 CFR Parts 35 and 36, Section 527 of the National Housing Act (12 U.S.C. §1701z-22), the Architectural Barriers Act of 1968 (42 U.S.C. §4151 et seq.), including the use of a telecommunications device for deaf persons (TDDs) or equally effective communication system, the Equal Credit Opportunity Act (15 U.S.C. §1691 *et seq.*), the Equal Opportunity in Housing (Executive Order 11063 as amended by Executive Order 12259) and it implementing regulations at 24 CFR Part 107, The Fair Housing Act (42 U.S.C. §3601 *et seq.*), as implemented by HUD at 24 CFR Parts 100-115, and the Department's Accessibility rules in Title 10, Part 1, Chapter 1, Subchapter B of the Texas Administrative Code, as may be amended from time to time.

B. Administrator shall include the substance of this Section 6.21 in all of its subgrants and subcontracts.

ARTICLE VII
RECORDS, CITIZEN PARTICIPATION, AND REPORTING REQUIREMENTS

Section 7.1 Retention and Accessibility of Records.

A. General. Administrator shall comply with all the record keeping requirements in accordance with2 CFR Part 200 and Texas Grant Management Standards ("**TXGMS**") and shall maintain fiscal records and supporting documentation for all expenditures of funds made under this Contract. Such records must include data on the racial, ethnic, and gender characteristics of persons who are applicants for, participants in, or beneficiaries of the funds provided under this Contract.

B. Reporting Compliance. Administrator represents and warrants that it will submit timely, complete, and accurate reports in accordance with the grant and maintain appropriate backup documentation to support the reports.

C. Access to Records. Administrator agrees that Department, HUD, the Auditor of the State of Texas, the United States General Accounting Office, the Comptroller of the United States, or any of their duly authorized representatives, shall have the right to access and to and the right to examine all books, accounts, records, reports, files, and other papers, things, or property belonging to or in use by the Administrator pertaining to this Contract. Such rights to access shall continue as long as the records are retained by the Administrator. Administrator agrees to maintain such records in an accessible location and to provide citizens reasonable access to such records consistent with the Texas Public Information Act.

D. Record Retention. Administrator represents and warrants its compliance with the records retention requirements of 2 CFR §200.333. The Department reserves the right to direct an Administrator 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. Administrator must include the substance of this clause in all subgrants and subcontracts. Administrator shall retain such records, and any supporting documentation, in an accessible location for three (3) years from the end of the Contract Term, or five (5) years starting from the date the household activity is completed, whichever is longer, unless terminated earlier, or the period required by other applicable laws and regulations., except if any litigation, claim, negotiation, audit, monitoring, inspection or other action has started before the expiration of the required record retention period records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the required period, whichever is later.

E. Open Records. Administrator acknowledges that all information written, produced, collected, assembled, or maintained by Administrator pursuant to this Contract is subject to the Texas Public Information Act (Chapter 552 of Texas Government Code) and must be provided to citizens, public agencies, and other interested parties in accordance with the Texas Public Information Act. Administrator understands that the Department will comply with the Texas Public Information Act (Chapter 552 of the Texas Government Code) as interpreted by judicial rulings and opinions of the Attorney General of the State of Texas. Information, documentation, and other material in connection with this Contract or any resulting contract or grant may be subject to public disclosure pursuant to the Texas Public Information Act. In accordance with Section 2252.907 of the Texas Government Code, Administrator is required to make any information created or exchanged with the State of Texas pursuant to this Contract, available in a format that is accessible by the public at no additional charge to the Department. A request to the Administrator for public information shall be communicated to Department's contact identified in this Contract, by the close of business on the following business day after the request is received. Administrator shall not provide to the requestor any information that was written, produced, collected, assembled, or maintained under this Contract, but shall respond to the requestor that the request has been forwarded to Department for processing. After gathering all information that is responsive to the request, but in no event later than five (5) business days after receiving the information request, Administrator shall send the information to Department. Administrator shall timely contact Department if there will be any delay in sending the information request or responsive documents to Department.

F. Subgrants and Subcontracts. Administrator shall include the substance of this Section 7.1 in all subgrants and subcontracts. Administrator represents and warrant that it will monitor the activities of its subgrantees and subcontractors as necessary to ensure that the funds are used for authorized purposes, in compliance with applicable statutes, regulations, and the terms and conditions of the subgrant or subcontract, and that performance goals are achieved.

Section 7.2 <u>Citizen Participation Requirements – Public Hearing.</u>

. <u>Citizen Participation</u>. Administrator 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 Contract are used, in accordance with 24 CFR §570.486 and Chapter 2105 of the Texas Government Code.

B. <u>Changes to Performance Statement.</u> Administrator 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 "Performance Statement" attached as Exhibit A to this Contract.

C. <u>Annual Evidence of Public Hearing</u>. In accordance with Section 2105.058 of the Texas Government Code, Administrator will provide documentation to the Department annually that a public meeting or hearing was held to seek public comment on the needs or uses of these CDBG funds.

D. <u>Public Hearing Process.</u> For each public hearing scheduled and conducted by the Administrator under this Subsection D, Administrator shall comply with the Federal Act and the process required in Chapters 2105 and Chapter 2051 of the Texas Government Code. The following procedures will generally comply with these requirements:

1. Notice of each hearing shall be published in the non-legal section of a newspaper having general circulation in the Administrator's jurisdiction at least seventy-two (72) hours prior to each scheduled hearing. The published notice shall include the date, time, and location of each hearing and the topics to be considered at each hearing. The published notice shall be printed in both English and Spanish, and other languages if appropriate. The Department shall accept articles published in such newspapers which satisfy the content and timing requirements of this subsection. In addition, Administrator shall prominently post such notices in public buildings and distributed to interested community groups.

2. If any substantial changes are being requested concerning the activities included in this Contract, the public hearings shall be held after 5 p.m. on a weekday or on a Saturday or Sunday. The hearings must be conducted at a location convenient to potential or actual beneficiaries, with accommodation for the disabled.

3. When a significant number of non-English speaking residents can reasonably be expected to participate in a public hearing, the Administrator shall provide an interpreter to accommodate the needs of the non-English speaking residents.

Section 7.3 <u>Complaint Procedures.</u>

Administrator shall maintain written citizen complaint procedures that provide a timely written response to complaints and grievances. Such procedures shall comply with the Department's requirements in Title 10, Part 1, Chapter 1, Subchapters A and B of the Texas Administrative Code.

Administrator 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.

Section 7.4 Reporting Requirements

A. Required Reports. Administrator shall submit to Department such reports on the operation and performance of this Contract as may be required by Department, including but not limited to the reports specified in this section. The Department may use any reports, information, and/or products submitted to the Department by the Administrator to measure accomplishments in achieving objectives stated herein.

1. Quarterly Progress Construction Report. Administrator shall submit to Department no later than the tenth (10th) day of the month after the end of each calendar quarter of the Contract Term, a Quarterly Progress Report of the progress of all construction and non- construction activities by budget categories performed pursuant to the "Performance Statement" attached hereto as Exhibit A, and of the expenditures and obligations of funds by budget category made pursuant to the "Contract Budget" attached hereto as Exhibit B. The Quarterly Progress Report shall be in a format prescribed by Department and shall include all such activities, expenditures, and obligations made or performed under this Contract during the previous quarter.

2. Project Completion Report. Administrator shall submit a Project Completion Report to Department no later than sixty (60) calendar days after the termination of the Contract or at the conclusion of all activities under the Contract as determined by Department TDHCA. The Project Completion Report shall be in a format prescribed by Department and shall be accompanied by a final Project Completion Report of all activities performed under this Contract.

3. Vehicle, Equipment, and Supply Inventory Report. Administrator shall submit to Department no later than forty five (45) calendar days after the end of the Contract Term an inventory of equipment (as defined federally, and in TXGMS and 10 TAC §1.407) with a unit acquisition cost of Five Thousand and No/100 Dollars ($5,000.00) or more and/or a useful life of more than one (1) year, if purchased in whole or in part with funds received under this Contract. Supplies with an aggregate cost of Five Thousand and No/100 Dollars ($5,000.00) must be sold and the state reimbursed for its share or may be retained by Subrecipient but the state paid for its share of its value. The inventory shall reflect the equipment and supplies on hand as of the last day of the Contract Term. Upon the termination of this Contract, Department may transfer title to equipment to the Department or to any other entity receiving federal funds from the Department. If kept with the Subrecipient the equipment must be used for its original purpose and included in an inventory report to the Department every two years until the equipment is worth less than Five Thousand and No/100 Dollars ($5,000). If §1.407 is updated to reflect $10,000 before the inventory report is due, that change is incorporated herein without further amendment.

B. Electronic Submission. Administrator may submit to Department reports required under this Contract by means of electronic transmission in accordance with the Program Requirements.

C. Additional Reports. In addition to Required Reports, the Administrator shall provide reports to Department regarding program Activities as necessary to evidence progress of performance in accordance with the Program Requirements.

D. Unique Entity Identifier Number. Administrator shall provide the Department with a Unique Entity Identifier Number on all contracts and agreements. The Unique Entity Identifier Number must be submitted from a document retrieved from the https://www.sam.gov website. These documents must be provided to the Department prior to the processing first payment to Administrator. Administrator shall maintain a current Unique Entity Identifier Number for the entire Term.

E. Disaster Recovery Plan. Upon request of the Department, Administrator shall provide copies of its most recent business continuity and disaster recovery plans.

F. Default. If Administrator fails to submit any records or data required under this Contract within this Contract may be subject to termination for failure to meet the obligations herein.

G. Withholding of Payments. In addition to the limitations on liability otherwise specified in this Contract, it is expressly understood and agreed by the Parties that if the Administrator fails to submit to Department in a timely and satisfactory manner any report required by this Contract, Department may, at its sole option and in its sole discretion, withhold any or all payments otherwise due or requested by the Administrator. If Department withholds such payments, it shall notify the Administrator in writing of its decision and the reasons therefore. Payments withheld pursuant to this paragraph may be held by Department until such time as the delinquent obligations for which funds are withheld are fulfilled by the Administrator.

ARTICLE VIII
ADMINISTRATIVE REQUIREMENTS, AUDITS, AND MONITORING

Section 8.1 Administrative Requirements, Cost Principles, Program Income and Audit Requirements

A. Administrative Requirements; Cost Principles. Administrator shall comply with the cost principles and uniform administrative requirements set forth in 2 CFR Part 200 and TXGMS, which will also apply to all Household Commitment Contracts (if used under the Contract).

C. Program Income. Administrator shall comply with the requirements set forth in 24 CFR §570.489(e) to account for program income related to activities financed in whole or in part with funds provided under this Contract.

1. Administrator shall maintain records of the receipt, accrual, and disposition of all program income in the same manner as required for all other funds under this Contract, and the Administrator shall provide reports of program income to the Department with each Quarterly Progress Report submitted by the Administrator in accordance with Section 7.4 of this Contract, and at the end of the Contract Term.
2. Program income earned by the Administrator during the Contract Term shall be reported to the Department but retained by the Administrator, if approved by the Department in writing as a contract amendment, and utilized by the Administrator to fund performances specified in this Contract, in the manner specified, prior to requesting additional funds from the Department.

3. At least sixty (60) calendar days prior to the end of the Contract Term, Administrator shall submit a plan to the Department for its approval which specifies the manner in which the Administrator proposes to use any unexpended program income earned under this Contract to continue the performance specified in this Contract in the manner specified. Any unexpended program income earned under this Contract without the Department's approval of said plan must be returned to the Department. In the event that Administrator timely submits the plan to the Department and the Department does not approve the plan submitted, the Administrator shall return such program income to the Department the earlier of ten (10) calendar days after receipt of the Department's notification of disapproval, or the sixty (60) calendar days after the end of the Contract Term.

4. If Administrator receives program income after the end of the Contract Term, it must return the funds to the Department within ten (10) calendar days.

C. <u>Audit.</u> Department reserves the right to conduct additional audits of the funds received and performances rendered under this Contract. Administrator agrees to permit Department or its authorized representative to audit Administrator's records and to obtain any documents, materials, or information necessary to facilitate such audit.

D. <u>Audit Expenditure Threshold.</u> In accordance with 10 TAC §1.403(e) and 2 CFR §200.501, a Subrecipient for a fiscal year that began on or after October 1, 2024, that expends $1,000,000 or more in federal awards or have an outstanding loan balance associated with a federal funds of $1,000,000 or more with continuing compliance requirements, or a combination thereof must have a Single Audit conducted. This threshold for a fiscal year that began before October 1, 2024, is $750,000, and the Single Audit threshold may be periodically revised by the Office of Management and Budget. If the Subrecipient's Single Audit is required by 2 CFR Part 200, Subpart F, the report must be submitted to the Federal Audit Clearinghouse ("FAC") the earlier of 30 calendar days after receipt of the auditor's report or nine (9) months after the end of its respective fiscal year. As noted in 10 TAC §1.403. Subrecipient is required to submit a notification to Department within five (5) business days of submission to the FAC. Along with the notice, indicate if the auditor issued a management letter. If there is a management letter, a copy of the letter must be sent to the Department. Both the notice and the copy of the management letter, if applicable, must be submitted to SAandACF@tdhca.state.tx.us.

E. Audit Certification Form. Administrator shall submit to Department, within sixty (60) days after the end of each fiscal year, an "Audit Certification Form" (available from the Department) for each fiscal year in which any month of the Administrator's fiscal year overlaps a month of the Contract Term.

F. State Auditor's Right to Audit. Pursuant to Section 2262.154 of the Texas Government Code, the state auditor may conduct an audit or investigation of any entity receiving funds from the state directly under any contract or indirectly through a subcontract under the Contract. The acceptance of funds by the Administrator or any other entity or person directly under the Contract or indirectly through a subcontract under the Contract acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. Under the direction of the legislative audit committee, the Administrator or other entity that is the subject of an audit or investigation by the state auditor must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit. Administrator shall ensure that this paragraph concerning the authority to audit funds received indirectly by subcontractors through the contract and the requirement to cooperate is included in any subcontract it awards.

G. Reporting Suspected Fraud and Unlawful Conduct. Administrator 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 State Auditor's Office.

H. Procurement. Administrator shall procure audit services in accordance with 10 TAC §1.403(b), TXGMS, and 2 CFR §200.320, as applicable.

I. Subgrants and Subcontracts. The Administrator shall include language in any subgrant or subcontract that provides the Department the ability to directly review, monitor, and/or audit the operational and financial performance and/or records of work performed under this Contract.

Section 8.2 Monitoring

A. Inspections and Reviews. Department reserves the right to carry out field inspections and desk reviews to ensure compliance with the requirements of this Contract. After each monitoring visit or desk review, Department shall provide Administrator with a written report of the monitor's findings. If the monitoring reports note deficiencies in Administrator's performance under the terms of this Contract, the monitoring report shall include requirements for the timely correction of such deficiencies by Administrator. The Department may provide technical assistance to Administrator and may require or suggest changes in Administrator's program implementation or in Administrator's accounting, personnel, procurement, and management procedures in order to correct any deficiencies noted. The Department may conduct follow-up visits to review and assess the efforts Administrator has made to correct previously noted deficiencies.

B. Default. Failure by the Administrator to take action specified in the monitoring report may be cause for suspension or termination of this Contract, as provided in Article IX of this Contract.

Section 8.3 Disallowed Costs.

Administrator understands and agrees that it shall be liable to the Department for any costs disallowed pursuant to financial and compliance audit(s) of funds received under this Contract. If the persons to benefit from the activities described in the "Performance Statement" attached hereto as Exhibit A are not receiving the service or a benefit, the Administrator is liable to repay to the Department any associated disallowed costs. Administrator further understands and agrees that reimbursement to the Department of such disallowed costs shall be paid by the Administrator from funds which were not provided or otherwise made available to the Administrator under this Contract or with other federal or otherwise unauthorized funds.

ARTICLE IX
GENERAL PROVISIONS

Section 9.1 Default and Remedies

A. Default. Administrator understands that the following shall be an event of default under this Contract:

1. Merger. The liquidation, termination, dissolution, merger, consolidation or failure to maintain good standing in the State of Texas, and such is not cured prior to causing material harm to Administrator's ability to perform under the terms of this Contract or in accordance with the Program Requirements.

2. Breach. If Administrator violates or breaches or fails to perform any material covenant, condition or term of this Contract or the program loan documents, as applicable, and Administrator fails to cure said violation, breach or failure to perform within thirty (30) calendar days following the notification to the Administrator by the Department of such violation, breach or failure of performance. In the event the violation, breach or failure to perform cannot be corrected within the thirty (30) calendar day cure period, the TDHCA may consent to an extension of the curative period if, in the Department s sole determination, Administrator has commenced corrective action and is diligently pursuing said action before the end of the thirty (30) calendar days, unless specifically prohibited by the Program Requirements.

3. Bankruptcy. The filing of a bankruptcy petition, either voluntary or involuntary, by or on behalf of the Administrator.

4. Compliance with Laws. Administrator's failure to comply with the terms of this Contract, Program Requirements, Cross-Cutting Federal Requirements under Article VI of this Contract, all applicable federal, state and local laws and regulations regarding residential construction, interim construction loans and residential mortgage loans, and all other applicable local, state and federal laws applicable to the CDBG program and this Contract. Administrator represents and warrants that it will comply, and assure the compliance of all its subgrantees and subcontractors, with all applicable federal and state laws, rules, regulations, and policies in

effect or hereafter established. In addition, Administrator represents and warrants that it will comply with all requirements imposed by the awarding agency concerning special requirements of law, program requirements, and other administrative requirements. In instances where multiple requirements apply to Administrator, the more restrictive requirement applies.

5. False Statements. If any representation or warranty of the Administrator to Department contained this Contract, the loan or grant documents for residential construction, or any other program document, is false or misleading in any material respect.

6. Misrepresentation. If Administrator misrepresented any facts to Department during the program application process or administration of any TDHCA contract and/or agreement.

7. Noncompliance of Department Programs. If Administrator has any unresolved compliance issues on existing or prior contracts, agreements or reservations with Department.

8. Performance Benchmarks and Expenditure of Funds. If Administrator fails to timely set-up programs/activities or expend funds in accordance to this Contract, "Performance Statement" attached as Exhibit A and "Contract Budget" attached as Exhibit B Administrator does not achieve performance benchmarks as outlined in this Contract or NOFA or for any other reason in the Department's reasonable discretion.

9. Representations. Administrator 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 General Services Administration, or by the Department. Administrator further certifies that it is not listed in the prohibited vendors list authorized by Executive Order No. 13224, "Closing 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.

10. Intentional Misconduct. Administrator represents and warrants its compliance with 2 CFR §200.113 which requires the written disclosure of violations of federal criminal law involving fraud, bribery, and gratuity and the reporting of certain civil, criminal, or administrative proceedings to SAM.

11. Violations of Federal Criminal Law. Administrator represents and warrants its compliance with 2 CFR §200.113 and 2 CFR §200.118, which require that Administrator must promptly disclose whenever, in connection with the Federal award (including any activities or subawards thereunder), it has credible evidence of the commission of a violation of Federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 of the United States Code or a violation of the civil False Claims Act (31 U.S.C. §§3729-3733) and the reporting of certain civil, criminal, or administrative proceedings to SAM. The disclosure must be made in writing to the Federal agency, the agency's Office of Inspector General, and the Department. Administrator is also required to report matters related to recipient integrity and performance in accordance with Appendix XII of this part. Failure to make required disclosures can result in

any of the remedies described in §200.339 and 2 CFR Part 180, 31 U.S.C. §3321, and 41 U.S.C. §2313.

12. Defaults Under Other Program Documents. If Administrator fails to comply with the terms of the loan or grant documents for residential rehabilitation or reconstruction activities outlined in the "Performance Statement" attached as Exhibit A to this Contract, any other related program documents, any other events of defaults agreed to by the Parties in the program documents, or construction loan or grant documents for residential or reconstruction activities.

13. Foreclosure. If Administrator forecloses on a property funded under the Contract, if applicable, without the written consent of Department.

B. Remedies. Administrator understands that any defaults under this Contract or failure to perform under the terms of this Contract or in accordance with the Program Requirements may result in the Department's termination of this Contract and/or the imposition of the applicable remedies specified in Title 10, Part 1, Chapters 1 and 2 of the Texas Administrative Code, as applicable.

Section 9.2 Suspension.

A. General. Notwithstanding the provisions of Chapter 2251 of the Texas Government Code, in the event the Administrator fails to comply with any term of this Contract, Department may, upon written notification to the Administrator, suspend this Contract in whole or in part and withhold further payments to the Administrator, and prohibit the Administrator from incurring additional obligations of funds under this Contract.

B. Withholding of Payments. Nothing in this Section 9.2 of this Contract shall be construed to limit Department's authority to withhold payment and immediately suspend this Contract if Department identifies possible instances of fraud, abuse, waste, fiscal mismanagement, or other deficiencies in Administrator's performance. Suspension may be a temporary measure pending either corrective action by Administrator or a decision by Department to terminate this Contract in accordance with Section 9.3 of the Contract.

Section 9.3 Termination

A. Administrator acknowledges that in the event Administrator is unable to perform in accordance with this Contract, as required by this Contract, Administrator shall terminate this Contract and surrender Administrator's rights to any committed funds in accordance with requirements of 2 CFR §200.338, Remedies for noncompliance.

B. Department may terminate this Contract, in whole or in part, for any of the following events and any other event agreed to by the Parties:

1. A violation of any law, regulation or order applicable to the Administrator by the Administrator that has or might reasonably be expected to have a material adverse impact on the Administrator's ability to fulfill the terms of this Contract and is not cured within the applicable

cure period, if any, provided in such law, regulation, or order;

2. Gross negligence, fraud, willful misconduct, misappropriation of funds, or criminal activity by Administrator or any affiliate of the Administrator providing services to or in connection with this Contract or Administrator;

3. Any action or event that is considered an Event of Default hereunder and is not cured within the applicable time period;

4. The Administrator and/or its contractors are debarred, suspended, proposed for debarment, or placed on ineligibility status by HUD on the Exclusions Extract on SAM.gov; or

5. The Administrator does not achieve performance benchmarks as outlined in this Contract, the "Performance Statement" attached hereto as Exhibit A, or for any other reason in the Department's reasonable discretion.

C. Either of the Parties to this Contract shall have the right to terminate this Contract, in whole or in part, when both Parties agree that the continuation of the activities funded under this Contract would not produce beneficial results commensurate with the further expenditure of funds; provided that both Parties agree, in writing, upon the termination conditions, including the effective date of such termination; and in the case of partial termination, the portion of the Contract to be terminated.

D. Upon termination of this Contract, all funds, if any, remaining on hand on the date of termination and all accounts receivable attributable to the use of funds received under this Contract shall revert to Department. Administrator shall return these assets to Department within ten (10) calendar days after the date of termination.

Section 9.4 Subgrant and Subcontracts

A. Administrator shall include language in any subgrant or subcontract that failure of subgrant/subcontractor (including a consultant) to adequately perform under the contract may result in penalties up to and including debarment from performing additional work for the Department.

B. Administrator shall only subgrant or subcontract for performance of Activities described in this Contract after Administrator has obtained the appropriate documentation verifying the subgrantee or subcontractor's eligibility, as required by state of federal law or specified by Department, for each such proposed subaward. Administrator, in subgranting or subcontracting for any Activities described in this Contract, expressly understands that in entering into such subawards, Department is in no way liable to Administrator's subawardee(s).

C. In no event shall any provision of this Section 9.4 constitute adoption, ratification, or acceptance of Administrator's, subgrantee's or subcontractor's performance hereunder. Department maintains the right to insist upon Administrator's full compliance with the terms of this Contract, and by the act of approval under this Section 9.4, Department does not waive any right of action which may exist or which may subsequently accrue to Department under this Contract.

D. Administrator represents and warrants that it will maintain oversight to ensure that subcontractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders. Administrator shall include language in any subcontract or subgrant that provides the Department the ability to directly review, monitor, and/or audit the operational and financial performance and/or records of work performed under this Contract.

Section 9.5 **<u>Conflict of Interest</u>**

A. Administrator shall ensure that no employee, officer, or agent of the Administrator shall participate in the selection, or in the award or administration of a subcontract supported by funds provided if a conflict of interest, real or apparent, would be involved. Such conflict of interest would arise when: (1) The employee, officer, or agent; (2) any member of his or her immediate family; (3) his or her partner; or, (4) any organization which employs, or is about to employ any of the above, has a financial or other interest in the firm or person selected to perform the subcontract. Administrator shall comply with Chapter 171 of the Texas Local Government Code and 24 CFR §570.489(h).

B. In all cases not governed by Subsection (A) of this Section 9.5, no persons specified in subsection (C) of this Section 9.5 who exercise or have exercised any functions or responsibilities with respect to the activities assisted under this Contract or any other CDBG contract or who are in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from the activity, or have an interest or benefit from the activity, or have any interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties during their tenure or for one year thereafter.

C. The conflict of interest provisions of Subsection (B) apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the Administrator or of a subcontractor of the Administrator.

D. In addition to the requirements of this Section 9.5, Administrator shall follow the requirements of Chapter 171 of the Local Government Code, regarding conflicts of interest of officers of municipalities, counties, and certain other local governments.

E. Administrator may not accept an application for benefits funded under this Contract or loan application for housing assistance under this Contract from any of its officers or employees nor any spouse or person related within the third degree of affinity (marriage) or consanguinity (blood) to any officer or employee of the Administrator.

F. Administrator represents and warrants that in the administration of the grant, it will comply with all conflict of interest prohibitions and disclosure requirements required by applicable law, rules, and policies, including Chapter 176 of the Texas Local Government Code. If circumstances change during the course of the contract or grant, Administrator shall promptly notify the Department.

Section 9.6 Veterans Information in Applications.

In addition to other information required by federal law and state law in applications for the activity funded under this Contract, said applications must provide a space for applicants to indicate if they are a veteran in accordance with Section 434.214 of the Texas Government Code. In addition, the applications must include the following statement: "Important Information for Former Military Services Members. Women and men who served in any branch of the United States Armed Forces, including Army, Air Force, Navy, Marines, Coast Guard, Reserves or National Guard, may be eligible for additional benefits and services. For more information please visit the Texas Veterans Portal at https://veterans.portal.texas.gov/."

Section 9.7 Excessive Force

The Administrator affirms by signing this Contract that Administrator has adopted and is enforcing:

A. 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

B. 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.

Section 9.8 Cybersecurity Training Program.

If Administrator is a political subdivision and has access to any state computer system or database, Administrator shall complete cybersecurity training and verify completion of the training program to the Department pursuant to and in accordance with Section 2054.5192 of the Texas Government Code.

Section 9.9 Disclosure of Violations of Federal Criminal Law.

Administrator 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 and the reporting of certain civil, criminal, or administrative proceedings to SAM.

Section 9.10 Disclosure Protections for Certain Charitable Organizations, Charitable Trusts, and Private Foundations.

Administrator 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.

Section 9.11 Executive Head of State Agency Affirmation.

In accordance with Section 669.003 of the Texas Government Code, relating to contracting with the executive head of a state agency, Administrator certifies that it is not (1) the executive head of a state agency, (2) a person who at any time during the four (4) years before the date of the Contract was the executive head the Department, or (3) a person who employs a current or former executive head of the Department.

Section 9.12 Legal Authority

A. General. Administrator assures and guarantees Department that Administrator possesses the legal authority to enter into this Contract, to receive funds authorized by this Contract, and to perform the services Administrator has obligated itself to perform under this Contract. A resolution, motion or similar action has been duly adopted or passed as an official act of the Administrator's governing body, authorizing the filing of the Contract, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative, or the designee of Administrator to act in connection with the Contract and to provide such additional information as may be required.

B. Signature Authority. The person(s) signing and executing this Contract on behalf of Administrator does hereby warrant and guarantee that he is duly authorized by Administrator to execute this Contract on behalf of Administrator and to validly and legally bind Administrator to all the terms, performances, and provisions of this Contract.

C. Good Standing. Upon request by the Department, Administrator shall furnish satisfactory proof of its compliance therewith, including, but not limited to, a certified copy of a "Good Standing Certificate" issued by the Texas Comptroller of Public Accounts.

Section 9.13 Litigation and Claims

A. Administrator shall give Department immediate notice, in writing, of the occurrence of any of the following events:

   1. Any action, including any proceeding before an administrative agency, filed against Administrator in connection with this Contract; and

   2. Any claim against Administrator, the cost and expense of which Administrator may be entitled to be reimbursed by Department.

B. Except as otherwise directed by Department, Administrator shall furnish immediately to Department copies of all pertinent papers received by Administrator with respect to such action or claim.

Section 9.14 Oral and Written Agreements.

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

B. The attachments enumerated and denominated below are hereby made a part of this Contract and constitute promised performances by Administrator under this Contract:

1. Exhibit A - Performance Statement
2. Exhibit B - Contract Budget
3. Addendum A - Certifications Regarding Lobbying for Contracts, Grants, Loans, and Cooperative Agreements
4. Addendum B - Certification Regarding Drug-Free Workplace Requirements
5. Addendum C - Certification Regarding Debarment, Suspension and Other Responsibility Matters

Section 9.15 Venue and Jurisdiction

This Contract 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 Contract is fixed in court of competent jurisdictions of Travis County, Texas.

Section 9.16 Compliance with Federal, State and Local Law

A. Change in Law. Should the Federal or State Act change so that compliance with the applicable State CSHC Rules is not possible, the Administrator shall comply with the applicable changes to the Federal and State Acts.

B. Federal, State, and Local Law. Administrator warrants that it shall comply with the Federal Act and Program Requirements specified in this Contract, the Cash Management Improvement Act regulations (31 CFR Part 205), residential mortgage lending laws specified in the "Performance Statement" attached hereto as Exhibit A, any policies regarding this CSHC program, and all federal, state and local laws, statutes, ordinances, rules, regulations, orders and decrees or any court or administrative tribunal applicable to the activities and performances of Administrator under this Contract.

C. Illegal Activity. Administrator shall not violate any federal, state, or local laws, stated herein or otherwise, nor commit any illegal activity in the performance of or associated with the performance of this Contract. No funds under this Contract shall be used for any illegal activity or activity that violates any federal, state or local laws.

D. Never Contract With the Enemy. Pursuant to 2 CFR Part 183 and 2 CFR §200.215, Development Owner may not contract, receive grants, or enter into cooperative agreements that are expected to exceed Fifty Thousand and No/100 United States Dollars ($50,000.00), and that are performed outside the United States (including U.S. territories), with entities that are in support of a contingency operation in which members of the Armed Forces are actively engaged in hostilities or on the current list of prohibited or restricted persons or entities in the System for Award

Management ("SAM") Exclusions at www.SAM.gov. This prohibition does not apply to authorized intelligence or law enforcement activities of the Federal Government.

Section 9.17 <u>Certification Regarding Undocumented Workers.</u>

Pursuant to Chapter 2264 of the Texas Government Code, by execution of this Contract, Administrator hereby certifies that Administrator, or a branch, division, or department of Administrator does not and will not knowingly employ an undocumented worker, where "undocumented worker" means an individual who, at the time of employment, is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in that manner in the United States. If, after receiving a public subsidy, Administrator, or a branch, division, or department of Administrator is convicted of a violation under 8 U.S.C. §1324a(f), Administrator shall repay the public subsidy with interest, at a rate of five percent (5%) per annum, not later than the 120th day after the date the Department notifies Administrator of the violation.

Section 9.18 <u>Political Aid and Legislative Influence Prohibited</u>

A. <u>Political Activities and Legislative Influence Prohibited.</u> None of the funds provided under this Contract shall be used for influencing the outcome of any election, or the passage or defeat of any legislative measure. This prohibition shall not be construed to prevent any state official or employee from furnishing to any member of its governing body upon request, or to any other local or state official or employee or to any citizen information in the hands of the employee or official not considered under law to be confidential information. No funds provided under this Contract may be used directly or indirectly to hire employees or in any other way fund or support candidates for the legislative, executive, or judicial branches of government of the State of Texas or the government of the United States.

B. <u>Certification Regarding Lobbying.</u> None of the funds provided under this Contract shall be used to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award governed by the Byrd Anti-Lobbying Amendment (31 U.S.C. §1352) as stated and therein and evidenced by Administrators and each of its tiers execution of the "Certification Regarding Lobbying for Contracts, Grants, Loans and Cooperative Agreements" attached hereto as <u>Addendum A</u> hereto and incorporated herein for all relevant purposes.

C. <u>Political Polling Prohibition.</u> Administrator represents and warrants that it does not perform political polling and acknowledges that appropriated funds may not be granted to, or expended by, any entity that performs political polling.

D. <u>Lobbying Expenditures.</u> Administrator represents and warrants that Department's payments to Administrator and Administrator's receipt of appropriated or other funds under the Contract are not prohibited by Sections 403.1067 or 556.0055 of the Texas Government Code, which restrict lobbying expenditures.

Section 9.19 Debarred And Suspended Parties.

By signing this Contract, Administrator certifies that none of its principal employees, board members, agents, or contractors are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency as provided in the Certification Regarding Debarment, Suspension and Other Responsibility Matters attached hereto as Addendum C. The terms "covered transaction", "debarred", "suspended", "ineligible", "lower tier covered transaction", "participant", "person", "primary covered transaction", "principal", "proposal", and "voluntarily excluded", as used in the certification attached as Addendum C, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. Administrator also certifies that it will not award any funds provided by this Contract to any party that is debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549. Administrator agrees that, prior to entering into any agreement with a potential subcontractor procured by Administrator or prior to awarding funds under this Contract to a potential subgrantee, that the verification process to comply with this requirement will be accomplished by checking the System for Award Management ("**SAM**") at www.sam.gov and including a copy of the results in its project files. Administrator may decide the frequency by which it determines the eligibility of its subcontractors. Administrator may rely upon a certification of a prospective subcontractor that is not proposed for debarment under 48 CFR Part 9, Subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless Administrator knows that the certification is erroneous. Failure of Administrator to furnish the certification attached hereto as Addendum C or an explanation of why it cannot provide said certification shall disqualify Administrator from participation under this Contract. The certification or explanation will be considered in connection with the Department's determination whether to continue with this Contract. Administrator shall provide immediate written notice to Department if at any time Administrator learns that the certification was erroneous when submitted or has become erroneous by reason of changed circumstances. Administrator further agrees by executing this Contract that it will include the certification provision titled "Certification Regarding Debarment, Suspension and Other Responsibility Matters" "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusive-Subcontracts", as set out in Addendum C, without modification, and this language under this Section 9.19 of the Contract, in all its subcontracts.

Section 9.20 Assignment.

This Contract is entered into by and between the Department and Administrator only. Accordingly, it is not assignable by Administrator without the prior written consent and agreement of the Department, which consent may be withheld in its sole discretion.

Section 9.21 Severability.

If any section or provision of this Contract is held to be invalid or unenforceable, the remainder of the Contract shall not be affected thereby and all other parts of this Contract shall nevertheless be and remain in full force and effect and construed so as best to effectuate the intent of the Parties.

Section 9.22 Time is of the Essence

Time is of the essence with respect to Administrator's compliance with all agreements, terms and under this Contract.

Section 9.23 Force Majeure

If the obligations, including construction of the improvements, are delayed by the following, an equitable adjustment will be made for delay or failure to perform hereunder:

A. Any of the following events: (i) catastrophic weather conditions or other extraordinary elements of nature or acts of God; (ii) acts of war (declared or undeclared), (iii) acts of terrorism, insurrection, riots, civil disorders, rebellion or sabotage; and (iv) disease pandemics, quarantines, embargoes and other similar unusual actions of federal, provincial, local or foreign Governmental Authorities; and

B. The non-performing party is without fault in causing or failing to prevent the occurrence of such event, and such occurrence could not have been circumvented by reasonable precautions and could not have been prevented or circumvented through the use of commercially reasonable alternative sources, workaround plans or other means.

Section 9.24 Counterparts and Facsimile Signatures

This Contract may be executed in one (1) or more counterparts each of which shall be deemed an original each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Signed signature pages may be transmitted by facsimile or other electronic transmission, and any such signature shall have the same legal effect as an original. If any party returns a copy by facsimile machine or electronic transmission, the signing party intends the copy of its authorized signature printed by the receiving machine or electronic transmission to be its original signature.

Section 9.25 Notice

A. If notice is provided concerning this Contract, notice may be given at the following (herein referred to as "**Notice Addresses**"):

As to Department:

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
P. O. Box 13941
Austin, Texas 78711-3941
Attention: Office of Colonia Initiatives
Telephone: (512) 475-0908
Fax: (512) 475-0220
e-mail address: abigail.versyp@tdhca.texas.gov

As to Administrator:

County of Webb, Texas
1000 Houston Street, 3rd Floor
Laredo, Texas 78040-8017
Attention: The Honorable Tano E. Tijerina, Webb County Judge
Telephone: (956) 523-4600
e-mail address: webbcountyjudge@webbcountytx.gov

B. All notices or other communications hereunder shall be deemed given when delivered, mailed by overnight service, or five (5) calendar days after mailing by certified or registered mail, postage prepaid, return receipt requested, addressed to the appropriate Notice Address as defined in the above Subsection A of this Section 9.25.

Section 9.26 Number, Gender.

Unless the context requires otherwise, the words of the masculine gender shall include the feminine, and singular words shall include the plural.

Section 9.27 Alternative Dispute Resolution.

In accordance with Section 2306.082 of the State Act, it is the Department's policy to encourage the use of appropriate alternative dispute resolution procedures ("**ADR**") under the Governmental Dispute Resolution Act and the Negotiated Rulemaking Act (Chapters 2009 and 2006 respectively, Texas Government Code), to assist in the fair and expeditious resolution of internal and external disputes involving the Department and the use of negotiated rulemaking procedures for the adoption of the Department rules. As described in Chapter 154 of the Civil Practices and Remedies Code, ADR procedures include mediation. Except as prohibited by the Department's ex parte communications policy, the Department encourages informal communications between the Department staff and the Administrator, to exchange information and informally resolve disputes. The Department also has administrative appeals processes to fairly and expeditiously resolve disputes. If at any time the Administrator would like to engage the Department in an ADR procedure, Administrator may send a proposal to the Department's Dispute Resolution Coordinator. For additional information on the Department's ADR policy, see the Department's Alternative Dispute Resolution and Negotiated Rulemaking at Section 1.17 of the Administration rules.

Section 9.28 No Waiver.

A. Right or Remedy. Any right or remedy given to Department by this Contract shall not preclude the existence of any other right or remedy, nor shall any action taken in the exercise of any right or remedy be deemed a waiver of any other right or remedy. The failure of Department to exercise any right or remedy on any occasion shall not constitute a waiver of Department's right to exercise that or any other right or remedy at a later time.

B. Sovereign Immunity. The Parties expressly agree that no provision of the Contract 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.

Section 9.29 <u>Independent Contractor.</u>

It is expressly understood and agreed by the Parties hereto that Department is contracting with Administrator as an independent contractor, and that Administrator, as such, agrees to hold Department harmless and to the extent allowed by law indemnify Department from and against any and all claims, demands, and causes of action of every kind and character which may be asserted by any third party occurring or in any way incident to, arising out of, or in connection with the services to be performed by Administrator under this Contract.

Section 9.30 <u>Use of Alcoholic Beverages.</u>

Funds provided under this Contract may not be used for the payment of salaries to any Administrator's employees who use alcoholic beverages while on active duty, for travel expenses expended for alcoholic beverages, or for the purchase of alcoholic beverages.

Section 9.31 <u>Indemnification.</u>

ADMINISTRATOR SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS THE STATE OF TEXAS AND THE DEPARTMENT, AND/OR THEIR OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEY FEES, AND EXPENSES ARISING OUT OF, OR RESULTING FROM ANY ACTS OR OMISSIONS OF RESPONDENT OR ITS AGENTS, EMPLOYEES, SUBCONTRACTORS, ORDER FULFILLERS, OR SUPPLIERS OF SUBCONTRACTORS IN THE EXECUTION OR PERFORMANCE OF THE CONTRACT AND ANY PURCHASE ORDERS ISSUED UNDER THE CONTRACT. THE DEFENSE SHALL BE COORDINATED BY RESPONDENT WITH THE OFFICE OF THE TEXAS ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND RESPONDENT MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE TEXAS ATTORNEY GENERAL. ADMINISTRATOR AND DEPARTMENT AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.

Section 9.32 <u>Open Meetings.</u>

Administrator represents and warrants its compliance with Chapter 551 of the Texas Government Code, which requires all regular, special, or called meetings of a governmental body to be open to the public, except as otherwise provided by law.

Section 9.33 <u>Violence Against Women Act ("VAWA").</u>

A. <u>VAWA 2022</u>. Per 34 U.S.C §12495, Landlords, homeowners, tenants, residents, occupants, and guests of and applicants for housing funded under this Contract or with other funds from the U.S. Department of Housing and Community Affairs shall have the right to seek law enforcement or emergency assistance on their own behalf or on behalf of another person in need of assistance; and shall not be penalized by Administrator based on their requests for assistance or on criminal activity of which they are a victim or otherwise not at fault under statutes, ordinances, regulations, or policies adopted or enforced by covered governmental entities. Penalized in this context includes but is not limited to assessment of monetary or criminal penalties, fines, or fees; eviction; refusal to rent or renew tenancy; refusal to issue an occupancy permit or landlord permit; and closure of the property, or designation of the property as a nuisance or a similarly negative designation.

B. Confidentiality. Administer shall develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under this Contract, and that the address or location of any family violence shelter project assisted will, except with written authorization of the person or persons responsible for the operation of such shelter, not be made public in accordance with 24 CFR §5.2007.

IN WITNESS WHEREOF, each of the Parties has executed this Contract as of the dates written below to be effective on the date of commencement of the Contract Term and will terminate at the end of the Contract Term as defined in Article II of this Contract, by the authorized representative of the Department.

DEPARTMENT:

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS, a public and official agency of the State of Texas

By: ______________________________
Its duly authorized officer or representative

Date: ______________________________

ADMINISTRATOR:

COUNTY OF WEBB, a political subdivision of the State of Texas

By: ______________________________
Tano E. Tijerina County Judge
County of Webb, Texas

Date: ______________________________

ATTESTED:

By: ___________________________________

Name: Margie Ramirez-Ibarra
Title: County Clerk, County of Webb, Texas

APPROVED AS TO FORM:

By: ___________________________________

Name: Nathan Bratton
Title: Civil Legal Attorney
County of Webb, Texas

*By law, this office may only advise or approve contracts or legal documents on behalf of its clients. It may not advise or approve a contract or legal document on behalf of other parties. Our review of this document was conducted solely from the legal perspective of our client. Our approval of this document was offered solely for the benefit of our client. Other parties should not rely on this approval and should seek review and approval of their own respective attorney(s).

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
COLONIA COUNTY SELF-HELP CENTER
CONTRACT #CSH24-0168

COUNTY OF WEBB, TEXAS

EXHIBIT A
PERFORMANCE STATEMENT

This **Colonia Self-Help Center ("CSHC")** PERFORMANCE STATEMENT EXHIBIT A is made and entered into by and between the **TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS**, a public and official agency of the State of Texas (**"Department"**), and **COUNTY OF WEBB**, a political subdivision of the State of Texas (**"Administrator"**), to operate CSHC's in the following Colonias: San Carlos II (M240052), Ranchitos 359 East (M2400039), Pueblo Nuevo (M2400038), Rio Bravo (M2400057) and El Cenizo (M2400011) in **COUNTY OF WEBB**.

ARTICLE I
ADMINISTRATOR'S PERFORMANCE REQUIREMENTS

A. Qualifications. The Department has certified the Administrator as a CHSC as of September 30, 2024, and as such has the qualification to undertake the obligations stated herein.

B. Beneficiary. The persons to benefit from the Activities described in this Performance Statement must be receiving service or benefit from the use of the new or improved Colonia Self-Help Center facilities.

C. Target and Eligibility Requirements. The total number of beneficiaries to be targeted will be TEN THOUSAND SEVEN HUNDRED NINETY (10,790) persons of which TEN THOUSAND SEVEN HUNDRED NINETY (10,790) or one hundred (100%) are of low- to moderate-income.

D. Budget. Administrator shall ensure that the amount of funds expended for each activity does not exceed the amount specified for such activity in the "Contract Budget" attached as Exhibit B to the Contract.

ARTICLE II
CONTRACT TERM AND PERFORMANCE SCHEDULE

A. Contract Term. The Contract shall commence on December 1, 2024, and shall terminate on December 1, 2028, unless otherwise specifically provided by the terms of the Contract or extended in writing by both Parties (**"Contract Term"**).

B. Performance Benchmarks.

1. Administrator shall comply with the requirements of 10 TAC §25.10 (related to Expenditure

Thresholds and Closeout Requirements). If Administrator fails to expend and submit expenditure documentation by the due date, the deobligation process outlined in 10 TAC §25.5 (relating to Allocation, Deobligation and Termination, and Reobligation) may be initiated.

2. This Contract and all the Department's obligations hereunder may expire six (6) months after the commencement date of this Contract as specified in Article 2 of this Performance Statement if Administrator has not commenced performance of all Activities required under this Contract.

3. A Contract may also be subject to termination for failure to meet the Contract obligations, and the Department may elect not to provide future funds to the Administrator. In such cases, the Administrator will be notified in writing of the processes described in Tex. Gov't Code, Chapter 2105 and §1.411 of this title (relating to Administration of Block Grants under Chapter 2105 of the Tex. Gov't Code).

BENCHMARKS	THRESHOLD	DATE
Environmental Assessment Submission	Month 6	**06/01/2025**
30% Expenditure Deadline	Month 20	**08/01/2026**
60% Expenditure Deadline	Month 32	**08/01/2027**
90% Expenditure Deadline	Month 44	**08/01/2028**
100% Expenditure Deadline	Month 48	**12/01/2028**
Final Draw Request and Closeout Documents	60 Days from Contract End Date	**02/01/2029**

ARTICLE III
ACTIVITIES: PUBLIC SERVICE

A. Tool Library.

1. The tool lending library is an area-wide public service activity and the Administrator shall operate ONE (1) tool lending library the duration of the contract term, maintain and purchase tools as necessary to provide tools for home construction and improvements for the benefit of Colonia residents who are building or repairing their residence or installing necessary residential infrastructure.

2. The CSHC operated by Administrator will complete a minimum of four hundred (400) tool checkouts within the targeted Colonias. The tool library resources will be prioritized for the residents of the Administrator's CSHC target areas. Residents shall have access on at least one weekday each week, for a period long enough to provide access after the typical workday.

3. These activities shall benefit TEN THOUSAND SEVEN HUNDRED NINETY (10,790) persons of which TEN THOUSAND SEVEN HUNDRED NINETY (10,790) or one hundred (100%) are of low- to moderate-income.

B. Technology Access.

1. Administrator shall provide Colonia residents access to computers and the internet. A minimum of four hundred (400) visits by Colonia residents from the Service Areas shall be accomplished. Access to technology shall be prioritized in the Administrator's CSHC target areas. Residents shall have access on at least one weekday each week, for a period long enough to provide access after the typical workday.

2. These activities shall benefit TEN THOUSAND SEVEN HUNDRED NINETY (10,790) persons of which TEN THOUSAND SEVEN HUNDRED NINETY (10,790) or one hundred (100%) are of low- to moderate-income.

C. Solid Waste Removal.

1. Administrator shall implement a minimum of FOUR (4) solid waste removal activities such as Colonia lot cleanup campaigns, removal of junk vehicles, large item trash pick-up, and/or used tire disposal campaigns. Approximately TWO HUNDRED FIFTY (250) tons () will be collected in total and all activities will include the proper disposal of all solid waste for the residents of the Administrator's CSHC target areas.

2. These activities shall benefit TEN THOUSAND SEVEN HUNDRED NINETY (10,790) persons of which TEN THOUSAND SEVEN HUNDRED NINETY (10,790) or one hundred (100%) are of low- to moderate-income.

ARTICLE IV
ACTIVITIES: RESIDENTIAL REHABILITATION

A. Administrator shall construct up to FOUR (4) residential rehabilitation for residents of the CSHC service area at a cost not to exceed seventy-five thousand dollars ($75,000) per unit that will bring the rehabilitated home up to TMCS.

B. These activities shall benefit EIGHT (8) persons, of which EIGHT (8) or one hundred percent (100%) are of low- to moderate-income.

ARTICLE V
ACTIVITIES: NEW CONSTRUCTION

A. Administrator shall enter into a contract with a Community Based Development Organization ("**CBDO**") meeting the requirements set forth in 24 CFR §570.204(c) to construct FOUR (4) housing units and/or manufactured home replacement for residents of the CSHC service area at a cost not to exceed one hundred thousand dollars ($100,000.00) per unit.

B. The selected CBDO shall work with the program participant to obtain additional funding to complete the individual activities, as necessary. Total funds necessary to complete construction shall be identified prior to commencement of construction.

C. These activities shall benefit EIGHT (8) persons, of which EIGHT (8) or one hundred percent (100%) are of low- to moderate-income.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
COLONIA SELF-HELP CENTER PROGRAM
CONTRACT CSH24-0168
COUNTY OF WEBB, TEXAS

EXHIBIT B
CONTRACT BUDGET

ARTICLE I
CONTRACT AMOUNT

A. The Department will make a CSHC Program award in an amount not exceed the sum of **ONE MILLION AND NO/100 DOLLARS ($1,000,000.00)**, which includes administrative costs as herein provided, to the Administrator for actual and reasonable costs incurred by the Administrator in the performance of this Contract pursuant to the terms and conditions of the Contract, this "Performance Statement" attached to the Contract as Exhibit A, and the "Contract Budget" attached to the Contract as this Exhibit B.

B. INDIRECT COST RATE. Administrator will not utilize an indirect cost rate.

ARTICLE II
ADMINISTRATION, PLANNING AND MANAGEMENT

The Department may reimburse Administrator for costs related to administration, planning, and management not to exceed **ONE HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS ($150,000.00)**. Administrator shall ensure the amount of funds expended for all eligible project-related administration activities that are intended to be charged to this Contract, including the required annual program compliance and fiscal audit costs, do not exceed the amount specified for administration in this Exhibit B to the Contract.

ARTICLE III
PUBLIC SERVICES

A. At least eight percent (8%) of the Contract Amount, but no more than ten percent (10%) of the Contract Amount, must be used for Public Service Activities.

B. Administrator shall ensure the amount of funds to be expended for public service activities under this Contract will not exceed **ONE HUNDRED THOUSAND AND NO/100 DOLLARS ($100,000.00)**.

ARTICLE IV
RESIDENTIAL REHABILITATION

A. CSHC program funds under this Contract cannot exceed $75,000 in program funds per unit per income eligible beneficiary for rehabilitation. An additional $5,000 in Program funds are available for properties with non-functioning and/or unpermitted cesspools or septic tanks that need replacement with an appropriately sized on-site sewage facility or connection to a the Department- approved source of potable water and wastewater disposal. Additional funds from other sources may be leveraged with program funds.

B. Direct delivery costs for rehabilitation are limited to fifteen percent (15%) per unit provided by the CSHC program. All direct delivery costs must be eligible and based on actual expenses for the specific housing unit.

C. Administrator shall ensure the amount of funds to be expended for residential rehabilitation activities under this Contract will not exceed **THREE HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS ($350,000.00)**.

ARTICLE V
NEW CONSTRUCTION

A. CSHC program funds under this Contract cannot exceed $100,000 in program funds per unit per income eligible beneficiary for New Construction. An additional $5,000 in Program funds are available for properties with non-functioning and/or unpermitted cesspools or septic tanks that need replacement with an appropriately sized on-site sewage facility or connection to a Department- approved source of potable water and wastewater disposal. Additional funds from other sources may be leveraged with program funds.

B. Direct delivery costs for New Construction activities cannot exceed ten percent (10%) per unit provided by the CSHC program. All direct delivery costs must be eligible and based on actual expenses for the specific housing unit.

C. Administrator shall ensure the amount of funds to be expended for New Construction activities under this Contract will not exceed **FOUR HUNDRED THOUSAND AND NO/100 DOLLARS ($400,000.00)**

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
COLONIA SELF-HELP CENTER PROGRAM
CONTRACT NO.
CSH24-0168
COUNTY OF WEBB, TEXAS

ADDENDUM A
CERTIFICATION REGARDING LOBBYING FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE AGREEMENTS

The undersigned certifies, to the best of its knowledge and belief, that:

1. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, or modification of any Federal contract, grant, loan, or cooperative agreement.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person 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 in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit standard form -LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is material representation of fact on which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of its knowledge and belief, that:

If any funds have been paid or will be paid to any person 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 in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

ADMINISTRATOR:

COUNTY OF WEBB, a political subdivision of the State of Texas

By: ________________________________

Tano E. Tijerina, County Judge
County of Webb, Texas

Date: ____________________________

TEXAS DEPARTMENT OF HOUSING COMMUNITY AFFAIRS
COLONIA SELF-HELP CENTER PROGRAM
CONTRACT NO.
CSH24-0168
COUNTY OF WEBB, TEXAS

ADDENDUM B
CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

This certification is required by the regulations implementing the Drug-Free Workplace Act of 1988: 45 CFR Part 76, Subpart, F. Sections 76.630(c) and (d)(2) and 76.645 (a)(1) and (b) provide that a Federal agency may designate a central receipt point for STATE-WIDE AND STATE AGENCY-WIDE certifications, and for notification of criminal drug convictions. For the Department of Health and Human Services, the central point is: Division of Grants Management and Oversight, Office of Management and Acquisition, Department of Health and Human Services, Room 517-D, 200 Independence Avenue, SW Washington, DC 20201.

The undersigned certifies that it will or will continue to provide a drug-free workplace by:

(a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

(b) Establishing an ongoing drug-free awareness program to inform employees about-

(1) The dangers of drug abuse in the workplace;
(2) The grantee's policy of maintaining a drug-free workplace;
(3) Any available drug counseling, rehabilitation, and employee assistance programs; and
(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);

(d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will-

(1) Abide by the terms of the statement; and
(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

(e) Notifying the agency in writing, within 10 calendar days after receiving notice under paragraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

(f) Taking one of the following actions, within 30 calendar days of receiving notice under paragraph (d)(2), with respect to any employee who is so convicted-

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).

Place(s) of Performance (include street address, city, county, state, zip code):

1. 1000 Houston Street, Laredo, Texas 78040
2. ______
3. ______
4. ______

Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio studios). If Administrator does not identify the workplaces at the time of application, or upon award, if there is no application, the Administrator must keep the identity of the workplace(s) on file In its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the Administrator's drug-free workplace requirements.

This certification is a material representation of fact upon which reliance is placed when the Department awards the grant. If it is later determined that Administrator knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, Department, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.

ADMINISTRATOR:

COUNTY OF WEBB, a political subdivision of the State of Texas

By: ______________________________

Tano E. Tijerina, County Judge
County of Webb, Texas

Date: ____________________________

TEXAS DEPARTMENT OF HOUSING COMMUNITY AFFAIRS
COLONIA SELF-HELP CENTER PROGRAM
CONTRACT NO.
CSH24-0168
COUNTY OF WEBB, TEXAS

ADDENDUM C
CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

The undersigned certifies, to the best of its knowledge and belief, that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;
(b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in section (b) of this certification;
(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default; and
(e) Will submit to the Department information about each proceeding that occurs during this Contract Term or during the recordkeeping period that:

(1) Is in connection with this award;
(2) Reached its final disposition during the most recent five year period; and
(3) Is one of the following:

i. A criminal proceeding that resulted in a conviction, as defined below;
ii. A civil proceeding that resulted in a finding of fault and liability and payment of a monetary fine, penalty, reimbursement, restitution, or damages of $5,000 or more;
iii. An administrative proceeding, as defined below, that resulted in a finding of fault and liability and your payment of either a monetary fine or penalty of $5,000 or more or reimbursement, restitution, or damage in excess of $100,000; or
iv. Any other criminal, civil, or administrative proceeding if:

1. It could have led to an outcome described in this section (e) paragraph (3) items (i) – (iii) of this award term and condition;

2. It had a different disposition arrived at by consent or compromise with an acknowledgment of fault on your part; and
3. The requirement in this award term and condition to disclose information about the proceeding does not conflict with applicable laws and regulations.

(4) For purposes of section (e) of this certification the following definitions apply:

i. An "administrative proceeding" means a non-judicial process that is adjudicatory in nature in order to make a determination of fault or liability (e.g., Securities and Exchange Commission Administrative proceedings, Civilian Board of Contract Appeals proceedings, and Armed Services Board of Contract Appeals proceedings). This includes proceedings at the Federal and State level but only in connection with performance of a Federal contract or grant. It does not include audits, site visits, corrective plans, or inspection of deliverables.
ii. A "conviction", for purposes of this award term and condition, means a judgment or conviction of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or a plea, and includes a conviction entered upon a plea of nolo contendere.

Where the undersigned Administrator is unable to certify to any of the statements in this certification, such Administrator shall attach an explanation of why it cannot provide said certification to this Agreement.

The undersigned Administrator further agrees and certifies that it will include the below clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Subcontracts/Lower Tier Covered Transaction," without modification, in all subcontracts and in all solicitations for subcontracts:

"CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION – SUBCONTRACTS/ LOWER TIER COVERED TRANSACTIONS

(1) The prospective lower tier participant/subcontractor certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) Where the prospective lower tier participant/subcontractor is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

LOWER TIER PARTICIPANT/ SUBCONTRACTOR:

Entity Name, Entity Type

By: ______________________________
Signature Authority Name, Title

Date: ______________________________ "

This certification is a material representation of fact upon which reliance is placed when the Department awards the grant. If it is later determined that Administrator knowingly rendered an erroneous certification, in addition to any other remedies available to the Federal Government, the Department may terminate this Agreement for cause or default.

ADMINISTRATOR:

COUNTY OF WEBB, a political subdivision of the State of Texas

By: ______________________________
Tano E. Tijerina, County Judge
County of Webb, Texas

Date: ______________________________