



CITY OF HOUSTON

Housing & Community Development
Department

Interoffice

Correspondence

To: Carol Ellinger Haddock, P. E.
Acting Director
Department of Public Works and
Engineering

From: Tom McCasland, Director
Housing and Community Development
Department

Date: August 2, 2017

Subject: Letter of Agreement between the
Housing and Community Development
Department, and Department of Public
Works and Engineering for the CDBG-DR
2015 Flood Events SWAT Projects

Attached herewith we are transmitting to you for your review and acceptance three (3) copies of each of the following materials:

Attachment I Scope of Work
Attachment II Detailed Budgets
Attachment III Scope of Services

By your acceptance of these materials, it is agreed that the Department of Public Works and Engineering (PWE), and the Housing and Community Development Department (HCDD) shall jointly assume and perform the activities specified in this Letter of Agreement ("Agreement"). The performance period for this Agreement will be from the date of the last signatory on page 2 of this Letter of Agreement to **September 30, 2022**.

This Agreement will help to clearly identify and achieve the goals and objectives set forth in the scope of work (Attachment I), within the total amount of funds specified in the Detailed Budget (Attachment II). Furthermore, performance of the stated activities shall be in compliance with the Community Development Block Grant ("CDBG") regulations at 24 CFR Part 570 and appropriate program standards as determined by HCDD.

Throughout the term of this Agreement, PWE shall submit progress reports, and approve & submit all requests for payments under this Agreement to HCDD to ensure timely expenditure of CDBG funds and compliance with the U.S. Department of Housing & Urban Development ("HUD") regulations governing the CDBG Program. This Agreement

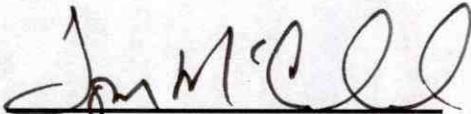
may be extended pursuant to a written instrument that has been executed by each Department's Director. A request to increase funding or make any material changes to the Scope of Work shall require an underwriting review by HCDD to ensure changes are in compliance with CDBG regulations at 24 CFR Part 570. In addition to this review, a formal amended Agreement shall be drafted, approved and executed by both parties.

Please review and sign the three (3) executable copies of this Agreement, including the Attachments hereto, and return all original copies to HCDD.



Carol Ellinger Haddock, P. E.
Acting Director
Department of Public Works
and Engineering

8/11/17
Date



Tom McCasland, Director
Housing and Community
Development Department

8/15/17
Date

ATTACHMENT I

SCOPE OF WORK

This Interdepartmental Letter of Agreement ("Agreement") entered into among the Housing and Community Development Department ("HCDD"), and the Department of Public Works and Engineering ("PWE") provides as follows:

I. PURPOSE OF AGREEMENT

The purpose of this Agreement is to provide guidance regarding the expenditure of \$29,207,210 in Community Development Block Grant Disaster Recovery (CDBG-DR) 2015 Flood Events funds towards the Storm Water Action Team (SWAT) program for design, development, and construction of neighborhood infrastructure projects ("Public Facilities"), including but not limited to, flood drainage and paving improvements, roadside ditches, storm sewers and outfalls, which will benefit a Low-Mod Area, at least 51% of whom are low to moderate income persons ("Project").

A. Eligibility of Activity

HCDD has determined this Project qualifies as an eligible activity under the following regulation:

24 CFR §570.201 (C) Public Facilities and improvements which states:

"Acquisition, construction, reconstruction, rehabilitation or installation of public facilities and improvements...carried out by the recipient or other public or private nonprofit entities."

1. All work to be done under this Agreement for and in consideration of payment shall meet pre-eligibility requirements established by the Housing and Community Development Department ("HCDD") personnel through submission of required material to be determined as an eligible project to perform such work.
2. For projects that are eligible for CDBG funds based on area wide benefit to low- and moderate- income households, data will be collected from the 2010 Census and Zoning requirements in which the project is located.

B. National Objectives

This Project must meet one of the CDBG program's National Objectives, as set forth in 24 CFR §570.208.

PWE certify that the Project carried out under this Agreement will meet the following National Objective:

24 CFR 570.208(a) (1) "Activities benefiting low-and-moderate income persons":

"An activity, which benefits a low-mod area, where at least 51 percent of whom are low- or moderate- income persons."

II. SCOPE OF SERVICE

PWE will be responsible for managing the design and construction of the Project and overseeing the bidding and selection of contractors to insure compliance with all local, state and federal ordinances, regulations and laws relating to the Project ("Applicable Laws").

A. Activities

The SWAT program will support two(2) neighborhood infrastructure projects during the course of this five-year term, the activities including but not limited to, flood drainage and paving improvements, roadside ditches, storm sewers and outfalls as defined in Attachment III – Scope of Services, and other flood mitigation needs to address the unmet basic infrastructure needs, prioritized at the municipal and community levels, of low- and moderate-income persons and predominately low- and moderate-income neighborhoods and communities.

1. DR15 SWAT 4A – Northside/Northline Drainage and Paving Improvements

This project is generally bound by Parker to the north, Bauman to the east, Tidwell to the south and Fulton to the west.

2. DR15 SWAT 12A – Bonita Gardens Drainage and Paving Improvements

This project is generally bound by Laura Koppe Road to the north, Lockwood Drive to the east, Union Pacific Railroad to the south and US 59/IH 69 to the west.

III. TIME OF PERFORMANCE

The Performance Period for the activities described in this Agreement shall begin on the Effective Date stated on page 2 of this Agreement, and shall end on **September 30, 2022**, or upon the expenditure of the CDBG funds in the amount of \$29,207,210, whichever occurs first.

A. Budget

PWE shall provide a detailed budget which shall be approved by the Director of the PWE, agreed to by the Director of HCDD and set forth in Attachment II – Budget of this Agreement. The Budget shall show a breakdown of the use of the \$29,207,210 provided under this Agreement, and all other funding sources associated with the Project.

PWE will be required to track all CDBG-DR 2015 Flood Events expenditures and provide reporting information on a bi-weekly basis in order to ensure timely expenditure of funds (see Section VI Administrative Requirements).

IV. PROGRAM STANDARDS

PWE shall operate in a manner consistent with Applicable Laws, which are by reference incorporated into this Agreement, including but not limited to the following:

- a) Code of Ordinances of the City of Houston;
- b) Housing and Community Development Act of 1974, as amended;
- c) 2 CFR Part 200;
- d) Community Development Block Grant regulations set forth at 24 CFR Part 570;
- e) Applicable local, state and federal laws; and
- f) Rules and Regulations of Department of Public Works.

Work provided under this Agreement shall also be performed in accordance with the following sections of 2 CFR Part 200:

- Section 200.1; 200.2-99 "Definitions";
- Section 200.102 "Exceptions";
- Section 200.205 Federal awarding agency review of risk posed by applicants;
- Section 200.302 (b) "Financial Management";
- Section 200.305(b), "Payment", except as modified by Part 570.513;
- Section 200.403, "Factors affecting allowability of costs";
- Section 200.408, "Limitation on allowance of costs";
- Part 200, Subpart F, "Audit Requirements";
- Section 200.313, "Equipment";
- Section 200.314, "Supplies";
- Section 200.448, "Intellectual property";
- Section 200.213, "Suspension and debarment";

- Section 200.318, "General procurement standards";
- Section 200.331, "Requirements for pass-through entities";
- Section 200.328, "Monitoring and reporting program performance", except paragraphs (b) through (d) and paragraph (f);
- Section 200.327, "Financial reporting";
- Section 200.333 "Retention requirements for records", with the exceptions listed at 570.502(a)(7);
- Section 200.336, "Access to records"
- Section 200.338, "Remedies for noncompliance";
- Section 200.339, "Termination";
- Section 200.344, "Post-closeout adjustments and continuing responsibilities"; and
- Section 200.345 "Collection of amounts due".

V. GENERAL CONDITIONS

A. General Compliance

PWE agrees to comply with the requirements of 24 CFR Part 570 covering the CDBG Program, including subpart K of these regulations, except that (1) PWE does not assume HCDD's environmental responsibilities described in 24 CFR §570.604 and (2) PWE does not assume HCDD's responsibility for initiating the review process under the provisions of 24 CFR Part 52.

B. Insurance & Bonding

PWE will ensure that General Contractor complies with the bonding and insurance requirements of 200.304, "Bonds".

C. Grantee Recognition

PWE shall ensure recognition of the role of HCDD in providing grant funds for work performed pursuant to this Agreement. All activities, facilities and items utilized pursuant to this Agreement shall prominently display the CDBG Program as a funding source. In addition, PWE will include a reference to the support provided herein in all publications that the Project was made possible with CDBG funds made available under this Agreement.

D. Amendments

PWE or HCDD may further amend this Agreement at any time provided that such amendments make specific reference to this Agreement, are executed in writing, and signed by a duly authorized representative of each City department identified in the opening paragraph of this Agreement.

Extensions and/or Budget Modifications to this Agreement will only be valid pursuant to a written instrument that has been executed by each department Director identified in the opening paragraph of this Agreement.

Any request to increase funding or make any material changes to the Scope of Work of this Agreement shall require an underwriting review by HCDD to ensure changes are in compliance with CDBG Regulations at 24 CFR Part 570. In addition to this review a formal Amended Agreement shall be drafted, approved and executed by all parties.

E. Suspension or Termination

In accordance with 2 CFR §200.338 and §200.339, HCDD may suspend or terminate this Agreement if PWE materially fails to comply with any terms of this Agreement, which include (but are not limited to), the following:

1. Failure to comply with any of the rules, regulations or provisions referred to herein, or such statues, regulations, executive orders and HUD guidelines, policies or directives as may become applicable at any time;
2. Failure, for any reason, of PWE to fulfill in a timely and proper manner its obligations under this Agreement;
3. Ineffective or improper use of funds provided under this Agreement;
4. Submission of reports by PWE to HCDD that are incorrect or incomplete in any material respect.

F. Public Works Laws

To the extent applicable, PWE will comply with all public works laws, regulations, and ordinances, including but not limited to those related to prevailing wages, retainage, bonding, and use of licensed contractors, as they relate to its performance under this Agreement.

VI. **ADMINISTRATIVE REQUIREMENTS**

A. Financial Management

1. Accounting Standards

PWE agree to comply with 2 CFR §§200.302, 200.305 (b), 200.309, 200.306, 200.307, 200.403, 200.408, and 2 CFR Part 200, Subpart F and agree to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

2. Cost Principles

PWE shall administer the program in conformance with 2 CFR Part 200, Subpart E "Cost Principles", as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

B. Documentation and Record Keeping

1. Records to be Maintained

PWE and HCDD, as applicable, shall maintain all records required by federal regulations specified in 24 CFR §570.506 that are pertinent to the Project to be funded under this Agreement. Such records shall include but not be limited to:

- a. Records providing a full description of work undertaken;
- b. Records demonstrating that all work undertaken meets one of the National Objectives of the CDBG program;
- c. Records required to determine the eligibility of the Project;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG funds;
- e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG Program;
- f. Financial records as required by 24 CFR §570.502, and 2 CFR §200.327; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

2. Retention

PWE and HCDD shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of four (4) years. The retention period begins on the date of the submission of HCDD's

annual performance and evaluation report to HUD in which the Project assisted under the Agreement is reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the four-year period, then such records must be retained until completion of the actions and resolutions of all issues, or the expiration of the four-year period, whichever occurs later.

3. Audits & Inspections

All PWE records with respect to any matters covered by this Agreement shall be made available to HCDD, grantor agency, the U.S. Department of Housing & Urban Development and the Comptroller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by PWE within 30 days after receipt by PWE. Failure of PWE to comply with the above audit requirements will constitute a violation of this Agreement and may result in the withholding of future payments.

C. Reporting and Payment Procedures

1. Program Income

This project is not subject to Program Income. It is not anticipated that any program income (as defined at 24 CFR §570.500 (a)) will be generated from this Project. Should program income come into play for any reason during the term of this Agreement, it shall be immediately returned to HCDD.

2. Indirect Costs

If indirect costs are charged, PWE will develop an indirect cost allocation plan for determining the appropriate share of administrative costs and shall submit such plan to HCDD for review and approval.

3. Payment Procedures

With the prior written approval of HCDD, PWE shall draw down funds available under this Agreement for reimbursement of costs incurred, from the City's accounting database (known as SAP) for line items consistent with the approved budget. All requests for reimbursement shall require the prior approval of HCDD, must be accompanied by invoice and/or other supporting documentation deemed necessary by HCDD, and shall be made for CDBG eligible activities only, with the total amount expended not to exceed \$29,207,210.

Payments associated with ineligible activities may not be reimbursed with CDBG funds under this Agreement. HCDD shall ensure that all disbursements made under this Agreement meet the necessary CDBG requirements prior to expending funds.

Other reasonable and necessary costs incurred up to 90 days prior to the Effective Date as set forth at the end of this Agreement, and associated with the financing, and/or development of new construction, rehabilitation or acquisition of a Public Facility may be reimbursed at the discretion of the Director. These costs include, but are not limited to:

- (1) Architectural, engineering or related professional services required to prepare plans, drawings, specifications, or work write-ups;
- (2) Costs for processing and settling the financing for a project such as private lender origination fees, credit reports; fees for title evidence; fees for recordation and filing of legal documents, building permits; attorney's fees; private appraisal fees; and fees for an independent cost estimate, builders or developers fees;
- (3) For both new construction and rehabilitation; costs for the payment of impact fees that are charged for all projects within a jurisdiction; or
- (4) Costs of environmental review and release of funds in accordance with 24 CFR Part 58, which are directly related to the Project.

4. Progress Reports

PWE shall submit Progress Reports to HCDD on a regular basis.

D. Procurement

1. Compliance

PWE shall comply with 2 CFR §200.313 concerning the purchase and management of equipment with funds provided herein and shall maintain inventory records of all non-expendable personal property. All program assets (unexpended program income, property, equipment, etc.) shall revert to HCDD upon termination of this Agreement.

2. OMB Standard

Unless specified otherwise within this agreement, PWE shall procure all materials, property, or services in accordance with the requirements of 2 CFR §200.318.

3. Travel

PWE shall obtain written approval from HCDD prior to all travel outside the metropolitan area paid for with funds provided under this Agreement.

E. Use and Reversion of Assets

The use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of 2 CFR Part 200 and 24 CFR §§570.502, 570.503, and 570.504, as applicable, which include but are not limited to the following:

1. PWE shall transfer to HCDD any CDBG funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation or termination.
2. Real Property under PWE control that was acquired or improved in whole or in part with funds under this Agreement in excess of \$25,000 shall be used to meet the CDBG National Objective identified under Paragraph 1 B. pursuant to 24 CFR §570.208 until five (5) years after expiration of this. If PWE fails to use CDBG-assisted real property in a manner that meets a CDBG National Objective for the prescribed period of time, PWE shall pay the CDBG Program an amount equal to the current fair market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property. Such payment shall constitute program income to HCDD. PWE may retain real property acquired or improved under this Agreement after the expiration of the five-year period.
3. In all cases in which equipment that was acquired, in whole or in part, with funds under this Agreement, and is later sold, the proceeds shall be program income (prorated to reflect the extent to that funds received under this Agreement were used to acquire the equipment). Equipment not needed by PWE for the Project under this Agreement shall be (a) transferred to HCDD for the CDBG program or (b) retained after compensating HCDD [an amount equal to the current fair market value of the equipment less the percentage of non-CDBG funds used to acquire the equipment].

VII. RELOCATION, REAL PROPERTY ACQUISITION AND ONE-FOR-ONE HOUSING REPLACEMENT

HCDD and PWE agree to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR §570.606(b), if applicable; (b) the requirements of 24 CFR §570.606(c) governing Residential Anti-displacement and Relocation Assistance Plan under section 104(d) of the HCD Act, if applicable; and

(c) the requirements in 24 CFR §570.606(d) governing optional relocation policies, if applicable. HCDD and PWE shall provide relocation assistance to displaced persons as defined by 24 CFR §570.606(b) (2) that are displaced as a direct result of acquisition, rehabilitation, demolition or conversion for a CDBG-assisted project. HCDD and PWE also agree to comply with Applicable Laws concerning the displacement of persons from their residences.

VIII. PERSONNEL & PARTICIPANT CONDITIONS

A. Civil Rights

1. Compliance

PWE will ensure that the General Contractor complies with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974, as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and Executive Order 11246 as amended by Executive Order 11375, 11478, 12107 and 12086.

2. Nondiscrimination

PWE will ensure that the General Contractor complies with the non-discrimination in employment and contracting opportunities laws, regulations and executive orders referenced in 24 CFR §570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the HCDA are still applicable.

3. Land Covenants

PWE will ensure the General Contractor is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and 240 CFR §§570.601 and 570.602. In regard to the sale, lease or other transfer of land acquired, cleared or improved with assistance provided under this contract, PWE shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use of occupancy of such land, or in any improvements erected or to be erected thereon, providing that HCDD and the United States are beneficiaries of and entitled to enforce such covenants. PWE, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. Section 504

PWE will ensure the General Contractor complies with all Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against the individuals with disabilities or handicaps in any Federally assisted program. HCDD shall provide PWE with any guidelines necessary for compliance with that portion of the regulation in force during the term of this Agreement upon request.

B. Affirmative Action

1. Women-and Minority-Owned Businesses (W/MBE)

PWE and Office of Business Opportunity (OBO) will ensure the General Contractor uses best efforts to afford small businesses, minority business enterprises and women's business enterprises the maximum practicable opportunity to participate in the performance of this Agreement. As used in this Agreement, the terms "small business" means a business that meets criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are African-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. PWE may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

2. Access to Records

PWE shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and account by HCDD, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

3. Notifications

PWE will ensure the General Contractor sends notice to each labor union or representative of workers with which General Contractor has a collective bargaining agreement or other contract or understanding, to be provided by the agency contracting officer, advising the labor union worker's representative of General Contractor's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

4. Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement

PWE will ensure that the General Contractor, in all solicitations or advertisements for employees placed by or on behalf of PWE, state that it is an Equal Opportunity or Affirmative Action employer.

5. Subcontract Provisions

PWE will ensure that the General Contractor includes the provision of Paragraphs X.A, Civil Rights, and B, Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own subrecipients or subcontractors.

C. Employment Restrictions

1. Prohibited Activity

PWE are prohibited from using funds provided herein or personnel employed in the administration of the Project for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities.

2. Labor Standards

PWE agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. 327 *et seq.*) and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. PWE agrees to comply with the Copeland Anti-Kick Back Act (18 U.S.C. 874 *et seq.*) and its implementing regulations of the U.S. Department of Labor at 24 CFR Part 5. PWE shall insure the maintenance documentation that demonstrates compliance with hour and wage requirements of this part.

PWE agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all contractors and subcontractors engaged under contracts in excess of \$2,000.00 for construction, renovation or repair work financed in whole or in part with assistance provided under this Agreement, shall ensure compliance with Federal requirements adopted by HCDD pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 1,3,5 and 7 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided that, if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve PWE of its obligation, if any, to require payment of the higher wage. PWE shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

PWE agrees that all contract compliance and reporting under the Davis-Bacon Act will be monitored and controlled by the Code of Federal Regulations, Title 49, Parts 23 and 26; the MWSBE will be monitored and controlled by the Office of Business Opportunity (OBO) as mandated by the City Code of Ordinances, Chapter 15, Articles II and V; and PWE agrees to comply with any other federal, state and local laws, regulations or ordinances including, but not limited to, those pertaining to Prevailing Wage Rates, MWSBE and DBE Program Compliance, and EEO compliance.

3. "Section 3" Clause

a. Compliance

All Section 3 reporting and requirements will be monitored and controlled by HCDD.

Compliance with the provisions of Section 3 of the HUD Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 135, and all applicable rules and orders issued hereunder prior to the execution of this Agreement, shall be a condition of the Federal financial assistance provided under this Agreement and is binding upon PWE and any subrecipients and subcontractors. Failure to fulfill these requirements shall subject PWE and any subrecipients and subcontractors, their successors and assigns, to those sanctions specified by the Agreement through which Federal assistance is provided. PWE will ensure that the General Contractor certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.

PWE further agrees to comply with these "Section 3" requirements and to include the following language in all subcontracts executed under this Agreement:

"The work to be performed under this Agreement is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701). Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low-and very low-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low-and very low-income persons residing in the metropolitan area in which the project is located."

PWE further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other

public construction project are given to low-and very-low income person residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to low-and very low-income person within the service area of the project or neighborhood in which the project is located, and low-and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project to business concerns that provide economic opportunities for low and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to business concerns that provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low-and very low-income participants in other HUD programs.

PWE certifies and agrees that no contractual or other legal incapacity exists that would prevent compliance with these requirements.

b. Notifications

PWE will ensure that the General Contractor sends notice to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, advising said labor organization or worker's representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

c. Construction Contracts

PWE will include this Section 3 clause in every construction contract and will take appropriate action pursuant to the subcontract upon a finding that the contractor is in violation of regulations issued by the grantor agency. PWE will not contract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any contract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

D. Conduct

1. Subcontracts

a. Approvals

PWE shall not enter into any construction contracts with any agency or individual in the performance of this contract without the written consent of HCDD prior to the execution of such agreement.

b. Monitoring

PWE will monitor all contracted services on a regular basis to assure contract compliance with the CDBG Regulations referenced in this Agreement. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

c. Content

PWE shall cause all of the provisions of this contract in its entirety to be included in and made a part of any contract executed in the performance of this Agreement.

d. Selection Process

PWE shall undertake to ensure that all construction contracts let in the performance of this Agreement shall be awarded on a fair and open competition basis in accordance with applicable procurement requirements. Executed copies of all contracts awarded with CDBG funds provided under this Agreement, shall be forwarded to HCDD along with documentation concerning the selection process.

2. Hatch Act

PWE agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent be used to engage in the conduct of political activities in violation of Chapter 15, Title V, U.S.C.

3. Conflict of Interest

PWE agrees to abide by the provisions of 2 CFR §200.318 and 24 CFR §570.611, which include (but are not limited to) the following:

- a. PWE shall maintain a written code or standard of conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds.
- b. No employee, officer or agent of PWE shall participate in the selection, or in the award, or administration of, a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.

4. No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activities, 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 in any contract or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For the purposes of this paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of HCDD, PWE or any designated public agency.

PWE will ensure the General Contractor agrees that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, 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 any 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 any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement;
- b. 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, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
- c. It will require that the language of paragraph (d) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.
- d. Lobbying Certification

"This certification is a material representation of fact upon 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.C. 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."

5. Copyright

If this Agreement results in any copyrightable material or inventions, if applicable, HCDD and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize other to use, the work or materials for governmental purposes.

XI. ENVIRONMENTAL CONDITIONS

A. Air and Water

PWE will ensure the General Contractor complies with the following requirements insofar as they apply to the performance of this Agreement:

- Clean Air Act, 42 U.S.C. §7401, *et seq.*;
- Federal Water Pollution Control Act, as amended, 33 U.S.C., §1251, *et seq.*, as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder; and
- Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50 as amended.

B. Lead-Based Paint

PWE will ensure the General Contractor agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR §570.608 and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment and/or abatement may be conducted.

C. Historic Preservation

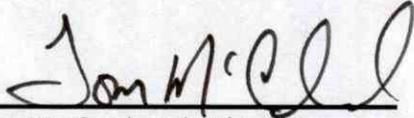
PWE will ensure compliance with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

PWE will ensure that all necessary federal requirements, as provided by HCDD, are incorporated into each construction contract.

This Agreement shall be effective on the ^{8th} 15th day of August, 2017 ("Effective Date").

AGREED AND ACCEPTED



Tom McCasland, Director
Housing and Community
Development Department



Carol Ellinger Haddock, Acting Director
Department of Public Works and
Engineering

ATTACHMENT II

Budget

PROJECT BUDGET
SWAT 4A & 12A

DR15 - SWAT 4A	
Construction Cost:	
Estimated Construction Cost (ECC)	\$ 8,503,331
30% Contingency for Construction	\$ 2,550,999
Subtotal Construction Costs	\$ 11,054,331
Other Costs:	
Engineering Design Cost (EDC) (Includes Geotechnical, Environmental & Survey)	\$ 2,210,866 ¹
Engineering Design Management (Cost Recovery)	\$ 331,630 ²
8% Construction Management, Inspection, and Administration (Cost Recovery)	\$ 884,346
5% Engineering Estimate Contingency	\$ 552,717
4% Testing Services	\$ 442,173
Subtotal Other Costs	\$ 4,421,732
Total Project Cost	\$ 15,476,063

DR - SWAT12A	
Construction Cost:	
Estimated Construction Cost (ECC)	\$ 7,544,586
30% Contingency for Construction	\$ 2,263,376
Subtotal Construction Costs	\$ 9,807,962
Other Costs:	
Engineering Design	\$ 1,961,592 ¹
Engineering Design Cost (EDC) (Includes Geotechnical, Environmental & Survey)	\$ 294,239 ²
8% Construction Management, Inspection, and Administration (Cost Recovery)	\$ 784,637
5% Engineering Estimate Contingency	\$ 490,398
4% Testing Services	\$ 392,318
Subtotal Other Costs	\$ 3,923,185
Total Project Cost	\$ 13,731,147

¹ 20% of ECC + Contingency

² 15% of Engineering Fee Estimate

City of Houston
 CDBG-DR15 Infrastructure Program

Name	Benefitted Area	Council District	Candidate Project Score	Parcels	2015 Flood Pts	Total LF of Ditch	Total Lane Miles	*RBH Funds	**Total Project Cost
<i>Recommended Projects</i>									
DR15 SWAT 4A	Community adjacent to N-000542 Fulton (Tidwell to Parker) and M-000284 Clark (Tidwell to Parker)	H	NA	1049	80	65,172	16.7	\$ 15,476,063	\$ 15,476,063
DR15 SWAT 12A	Community adjacent to N-000617 Hirsch (Kelley to E. Crosstimbers)	B	NA	990	48	59,404	13.4	\$ 13,731,147	\$ 13,731,147
Recommended Combined Total Project Cost =								\$ 29,207,210	

* RBH funds represent total project cost including Design, Construction, 30% contingency, and Salary Recovery
 **Construction cost only

Assumptions:

- \$3,000 per culvert
- Parcels * 1.5 - Assume one driveway per parcel plus an extra driveway or walkway on half of parcels
- \$25 -\$/LF to desilt
- \$175,000 -\$/ Lane mile = Overlay (not included geogrid when necessary)
- Assumed two lanes per CL**
- Note: All locations still need to be further investigated and field verified**

ATTACHMENT III

Scope of Services

SCOPE OF SERVICES

DRAINAGE AND PAVING IMPROVEMENT PROJECTS

1.

Name:	DR15 SWAT 4A Northside/Northline Drainage and Paving Improvements
Description:	<p>This project is generally bound by Parker to the north, Bauman to the east, Tidwell to the South and Fulton to the west.</p> <p>The City previously completed paving and drainage improvements along Fulton (Tidwell to Parker) in October 2016. The City is currently in final design on drainage and paving improvements along Clark (Tidwell to Parker) with construction award planned for FY18. Both projects represent improved trunk storm sewer capacity to serve areas adjacent to Fulton and Clark.</p> <p>The side-streets along Fulton and Clark utilize roadside ditches to convey storm water runoff to the Fulton and Clark trunk storm sewer. The existing roadside ditches are in poor condition and require reconstruction to adequately convey storm water runoff to the Fulton and Clark trunk storm sewers.</p>
Scope:	<p>This project will provide ditch regrading and re-establishment to the receiving points of the Fulton/Clark drainage systems. Driveway culverts will be replaced and resized to allow sufficient flow capacities for the drainage areas. In addition, the existing asphalt and/or concrete streets will be analyzed for required base repairs and asphalt overlays or concrete panel replacements to provide these neighborhoods with better roadways.</p>

2.

Name:	DR15 SWAT 12A Bonita Gardens Drainage and Paving Improvements
Description:	<p>This project is generally bounded by Laura Koppe Rd to the north, Lockwood Drive to the east, Union Pacific Railroad the South and US 59/IH 69 to the west.</p> <p>The City previously completed paving and drainage improvements on Hirsch (Kelley to E. Crosstimbers) to provide improved trunk storm sewer capacity to serve the areas adjacent to Hirsch.</p> <p>The side-streets along Hirsch utilize roadside ditches to convey storm water runoff to the Hirsch trunk storm sewer. The existing roadside ditches are in poor condition and require reconstruction to adequately convey storm water runoff to the Hirsch trunk storm sewer.</p>

Scope:	This project will provide ditch regrading and re-establishment to the receiving points of the Hirsch Road drainage systems. Driveway culverts will be replaced and resized to allow sufficient flow capacities for the drainage areas. In addition, the existing asphalt and/or concrete streets will be analyzed for required base repairs and asphalt overlays or concrete panel replacements to provide these neighborhoods with better roadways.
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