CITY OF COFFEYVILLE
BOARD OF COMMISSIONERS AGENDA ITEM

MEETING DATE	February 24, 2015	
RESOLUTION OR ORDINANCE NUMBER	R-15-22 R-15-23 R-15-24 R-15-25	
AGENDA TITLE	o **Resolution to authorize execution of Grant Agreement No. 15-PF-016 with the State of Kansas, Department of Commerce** o **Resolution to adopt a Code of Ethics for projects using Kansas Department of Commerce CDBG Funding** o **Resolution to adopt a Community Block Grant Program Procurement Plan** o **Resolution to adopt a Civil Rights/Fair Housing Policy**	
REQUESTING DEPARTMENT	Public Works/Engineering	
PRESENTER	Chuck Shively, Director of Public Works	
FISCAL INFORMATION	Cost as recommended:	N/A
	Budget Line Item:	N/A
	Balance Available	N/A
	New Appropriation Required:	[ ] Yes [X] No
PURPOSE	To enter into an agreement with the Kansas Department of Commerce for a $400,000 CDBG Grant for repair/replacement of 9th Street from Camden Street to Hall Street, and to adopt related required documents.	

BACKGROUND	On October 14, 2014 the City Commission held a public hearing and approved application documents for a potential $400,000 CDBG grant for the Kansas Department of Commerce for milling and overlay of 9th street from Camden street to hall Street, including full depth concrete replacement of the Reed street intersection and installation of required ADA handicap accessible ramps at all intersections and curb and gutter replacement as necessary. On January 26, 2015 the City was notified that our grant application was successful. At a technical assistance meeting on February 11, 2015 the City received the grant Agreement and related required documents.
SPECIAL NOTES	
ANALYSIS	Attached to this staff report are four Resolutions: o A Resolution to authorize execution of Grant Agreement No. 15-PF-016 with the State of Kansas, Department of Commerce o A Resolution to adopt a Code of Ethics for projects using Kansas Department of Commerce CDBG Funding o A Resolution to adopt a Community Block Grant Program Procurement Plan o A Resolution to adopt a Civil Rights/Fair Housing Policy Also attached are the four documents to be approved.
PUBLIC INFORMATION PROCESS	N/A
BOARD OR COMMISSION RECOMMENDATION	N/A
STAFF RECOMMENDATION	Authorize the four (4) Resolutions approving the CDBG Grant agreement and related required documents.

REFERENCE DOCUMENTS ATTACHED	• Resolution R-15-22 • Agreement No. 15-PF-016 with the State of Kansas, Department of Commerce • Resolution R-15-23 • Code of Ethics for projects using Kansas Department of Commerce CDBG Funding • Resolution R-15-24 • Community Block Grant Program Procurement Plan • Resolution R-15-25 • Civil Rights/Fair Housing Policy

RESOLUTION NO. R-15-22

A RESOLUTION TO AUTHORIZE THE EXECUTION OF GRANT AGREEMENT NO. 15-PF-016 BETWEEN THE STATE OF KANSAS DEPARTMENT OF COMMERCE AND THE CITY OF COFFEYVILLE FOR A $400,000.00 COMMUNITY DEVELOPMENT BLOCK GRANT.

BE IT RESOLVED by the Board of Commissioners of the City of Coffeyville, Kansas that the Mayor and City Clerk be and are hereby authorized and directed to execute Grant Agreement No. 15-PF-016 between the State of Kansas Department of Commerce and the City of Coffeyville for a $400,000.00 Community Development Block Grant..

ADOPTED THIS 24TH DAY OF FEBRUARY 2015.

_____
James Falkner, Mayor

ATTEST:

_____
Cindy Price, City Clerk

APPROVED AS TO FORM AND LEGALITY:

_____
Paul Kritz, City Attorney

Business and Community Development
1000 S.W. Jackson St., Suite 100
Topeka, KS 66612-1354

Kansas
Department of Commerce

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Pat George, Secretary

Sam Brownback, Governor

January 29, 2015

The Honorable James Falkner
Mayor, City of Coffeyville
PO Box 1629
Coffeyville, KS 67337

Re: Grant No. 15-PF-016

Dear Mayor Falkner:

Congratulations on being selected to receive a 2015 Small Cities Community Development Block Grant (CDBG) Community Improvement grant in the amount of $400,000, which will fund a street project. Added to the local contribution of $400,000, the total estimated project cost will be $800,000.

A technical assistance training has been set for Wednesday, February 11th, 10:30 a.m. at the Kansas Department of Children and Families, 1500 West 7th, Chanute, to provide you with contracts and information on how to begin the grant administration process. **The grantee is required to attend the entire training.** Please bring the original LMI survey's along with the supporting code sheet, if applicable.

Until Commerce has approved the recipient's request for release of funds and environmental certification, neither the recipient nor any participant in the development process, including public or private nonprofit or for-profit entities, or any of their contractors, may commit HUD assistance to the project or a project activity. Further, no participant in the development process, including contractors, may commit non-HUD funds on or undertake an activity or project if the activity or project would have an adverse environmental impact or limit the choice of reasonable alternatives. Choice limiting activities include acquisition of real property, demolition, construction, conversion, leasing, repair or rehabilitation activities. Environmentals should be cleared within 6 months from contract start date.

You are reminded that should a contract not be made with the state, any cost incurred toward the project would be borne by the recipient. The CDBG funds you are being awarded are contingent upon our receipt of funds from the U.S. Department of Housing & Urban Development.

Contracting between the City/County and the State must occur within 90 days of the training date or April 1. The contract beginning date of this award is April 1. The construction contract must be awarded within one year from contract start date. Failure to meet this deadline may result in withdrawal of this grant. As you are aware, all CDBG grants must be administered by a Certified Grant Administrator.

The Department looks forward to assisting you in the implementation of the project. If you have any questions on the contracting process, please contact Salih Doughramaji of the CDBG staff at (785) 296-3004.

Sincerely,

Pat George
Secretary

PG:SD:cav

STATE OF KANSAS

GRANT AGREEMENT NO. **15-PF-016**
between the

STATE OF KANSAS
DEPARTMENT OF COMMERCE

and the

City of Coffeyville

I. Grant Agreement

A. This Grant Agreement, hereinafter called "Agreement," is between the State of Kansas, Department of Commerce, and its representative, hereinafter called "Department" and the **City of Coffeyville,** Kansas, hereinafter called the "Grantee." This Agreement consists of the body and the following: SPECIAL CONDITIONS (attached hereto) and APPROVED PROJECT APPLICATION.

B. Together they embody the entire Agreement between the Department and Grantee with respect to this grant program. All prior agreements, representations, statements, negotiations, and understandings with respect to this program are superseded hereby.

II. Authority

A. This Agreement is financed in part through a grant provided to the Department by the United States Department of Housing and Urban Development (HUD) under Title I of the Federal Housing and Community Development Act of 1974, as amended (42 USC 5301 et. seq.), hereinafter called "the Federal Act." As provided in the Federal Act, the State of Kansas, through the Department, has elected to administer the federal program of Small Cities Community Development Block Grants.

B. The Department, in accordance with the provisions of K.S.A. 74-5001 et. seq., hereinafter called "the State Act," has approved the application of the Grantee and awarded funds for the purpose of supporting the Grantee's Community Development Program.

C. In the event of changes in any applicable Federal regulations and/or law, this Agreement shall be deemed to be amended when required to comply with any law so amended.

D. Federal Program – Community Development Block Grant Cluster (CDBG) (CFDA No. 14.228).

III. Description of Activities

Grantee agrees to perform, or cause to be performed, the work specified in the APPROVED PROJECT APPLICATION.

IV. Period of Performance

The period of performance for all activities assisted by this Agreement shall commence on **APRIL 1, 2015,** hereinafter called the "Commencement Date," and shall be complete on **MARCH 31, 2017,** hereinafter called the "Completion Date," except those activities required for close-out and final audit.

V. Compensation

A. In consideration of the Grantee's satisfactory performance of the work required under this Agreement and the Grantee's compliance with the terms of this Agreement, the Department shall provide the Grantee the total sum of **$400,000** in Community Development Block Grant funds. Such funds shall be used by the Grantee in accordance with the Activities listed and budgeted on the APPROVED PROJECT APPLICATION and the CONTRACT PROJECT BUDGET FORM.

B. In addition, the Grantee shall provide **$400,000** in other sources of funds to this Community Development Program and such funds shall be used by the Grantee in accordance with the Activities and budget on the APPROVED PROJECT APPLICATION.

C. It is expressly understood and agreed that in no event will the total program funds provided by the Department exceed the sum of **$400,000**. Any additional funds required to complete the program activities set forth in this Agreement will be the sole responsibility of the Grantee, and not the responsibility of the Department.

D. The Grantee understands that this Agreement is funded in whole or in part by federal funds. In the unlikely event the federal funds supporting this Agreement become unavailable or are reduced, the Department may terminate or amend this Agreement and will not be obligated to pay the Grantee from State revenues.

E. It is hereby agreed that funds committed to be provided by the Department are conditioned upon the availability and use of funds to be provided by the Grantee from other sources. In the event any portion of the funds required to be provided by the Grantee pursuant to subsection (B) of paragraph V. are not made available or used for activities as listed and budgeted, the Department may, in its discretion, withdraw or reduce proportionately the funds to be provided to the Grantee pursuant to subsection (A) of paragraph V.

F. The Grantee shall not anticipate future funding from the Department beyond the duration of this Agreement and in no event shall this Agreement be construed as a commitment by the Department to expend funds beyond the termination of this Agreement.

VI. Indemnification

The Grantee shall indemnify, defend, and hold harmless the State and its officers and employees from any liabilities, claims, suits, judgments, and damages arising as a result of the performance of the obligations under this Agreement by the Grantee or any subgrantee, contractor, subcontractor, or person. The liability of the Grantee under this Agreement shall continue after the termination of the Agreement with respect to any liabilities, claims, suits, judgments, and damages resulting from acts occurring prior to termination of this Agreement.

VII. Obligations of Grantee

A. All of the activities required by this Agreement shall be performed by personnel of the Grantee or by third parties (subgrantees, contractors, or subcontractors) under the direct supervision of the Grantee and in accordance with the terms of written contracts. Any such contracts may be made subject to approval by the Department.

B. Except as may otherwise be provided in the SPECIAL CONDITIONS, the Grantee may subgrant, contract, or subcontract any of the work or services covered by this Agreement.

C. The Grantee shall remain fully obligated and liable under the provisions of this Agreement, notwithstanding its designation of any third party or parties for the undertaking of all or any of the program being assisted under this grant.

D. The Grantee shall require any third party to comply with all lawful requirements necessary to insure that the program is carried out in accordance with this Agreement.

VIII. Environmental Review Compliance

A. The obligation and utilization of the funding assistance is subject to the requirements for a release of funds by the State under the Environmental Review procedures at 24 CFR Part 58 for any activities requiring such release.

B. The Grantee agrees to assume all of the responsibilities for Environmental Review, decision making and action, as specified and required in Section 104(g) of Title I of the Housing and Community Development Act of 1974 (Public Law 93-383), as amended. The Grantee shall not allow any subrecipient to assume the grantee's Environmental Review responsibilities.

IX. Program Costs

A. The Grantee may only incur such costs as are reasonable and necessary to the Grantee's Program and as are allowable under the Department's Procedures (OMB Circular A-87). Cost items not specifically authorized may only be incurred after written approval by the Department.

B. Cash and in-kind contributions made by the Grantee shall follow the criteria established by the Department's Procedures.

C. The total "Small Cities CDBG Funds" expended for "Administration" shown in the Contract Project Budget Form shall not exceed the approved amount unless amended by all parties to this contract.

D. The Grantee shall not incur costs on any program activity until the Environmental Review required by 24 CFR 58 has been completed and the Department has issued the "Notice of Release of Funds."

E. Any program activities performed by the Grantee in the period between notification of award and execution of this Agreement shall be performed at the sole risk of the Grantee. In the event this agreement should not become effective, the Department shall be under no obligation to pay the Grantee for any costs incurred or monies spent in connection with program activities, or to otherwise pay for any activities performed during such period. However, upon execution of this Agreement, all Program Costs incurred in connection with approved activities performed during this period shall be reimbursed in accordance with the terms and conditions of this Agreement.

F. Grant funds may not, without advance written approval by the Department, be obligated after the Completion Date except for those activities required for close-out. Obligations incurred prior to and still outstanding as of the Completion Date shall be liquidated within ninety (90) days.

G. At any time during the period of performance under this Agreement, and upon receipt of the progress and financial reports, Final Program Report or Final Audit Report, the Department may review all Program Costs incurred by the Grantee and all payments made to date. Upon such review the Department shall disallow any items of expense which are not determined to be allowable or are determined to be in excess of approved expenditures; and shall, by written notice specifying the disallowed expenditures, inform the Grantee of any such disallowance.

H. If the Department disallows costs for which payment has not yet been made, it shall refuse to pay such costs. If payment has been made with respect to costs which are subsequently disallowed, the Department may deduct the amount of disallowed costs from any future payments under this Agreement or require that the Grantee refund the amount of the disallowed costs.

X. Requisition of Grant Funds

A. The Grantee shall be entitled to receive requisitioned funds from the Department only in accordance with its actual and immediate cash requirements and only when the total of federal funds remaining on hand in the depository account does not exceed $5,000 and is insufficient to meet immediate disbursement needs.

B. Requisitions for cash advances shall be made on the established forms and shall not ordinarily be made more frequently than twice a month or in amounts less than $3,000 and in no cases more than $200,000.

C. The Grantee shall establish procedures to insure that any amounts of cash in excess of the limits set forth in (A) above shall be expended within three (3) days of receipt of the funds in the depository account.

D. Cash advances made by the Grantee to subgrantees shall conform substantially to the same standards of timing and amount as apply to the Grantee under this Agreement.

E. Amounts withheld from contractor to assure satisfactory completion of work shall not be paid until the Grantee has received a final payment request from the contractor and has certified the work is complete and satisfactory.

F. The Department may terminate advance financing and require the Grantee to finance its operations with its own working capital should it be determined that the Grantee is unwilling or unable to establish procedures to minimize the time lapsing between cash advances and disbursement. Payments to the Grantee would then be made only as reimbursement for actual cash disbursements.

XI. Depositories for Program Funds

A. The Grantee shall maintain a separate record for money received under the Community Development Program. Into this fund shall be deposited:

1. Moneys received from the Department.

2. Program income earned through program activities.

B. Any interest earned, prior to disbursement, on advances of grant funds shall be remitted to the State for subsequent return to the United States Treasury.

XII. Financial Management

A. Grantees shall establish and maintain a system which assures effective control over and accountability for all funds, property and other assets used in the Community Development Program.

B. Grantees shall either adopt the system recommended by the Department or certify to the Department, in writing, prior to making the first requisition of funds that the alternative system proposed for use shall meet the following standards:

1. Maintenance of separate accounting records and source documentation for the Community Development Program;

2. Provision for accurate, current and complete disclosure of the financial status of the Program;

3. Establishment of records of budgets and expenditures for each approved activity;

4. Demonstration of the sequence and status of receipts, obligations, disbursements and fund balance;

5. Provision of financial status reports in the form specified by the Department;

6. Compliance with the Department's audit requirements (OMB Circular A-133); and

7. Consistency with generally accepted accounting principles as specified by the Kansas Department of Administration, unless a waiver of GAAP has been received by the Grantee from the Kansas Director of Accounts and Reports.

XIII. Monitoring and Reporting

A. The Grantee shall monitor the activities of the Community Development Program, including those of contractors and subcontractors, to assure that all program requirements are being met.

B. The Grantee shall submit progress and financial reports to the Department in accordance with the schedule set forth in the SPECIAL CONDITIONS. These reports shall be in a format prescribed by the Department.

C. The Grantee shall submit a Final Program Report with the close-out no later than ninety (90) days following the Completion Date.

D. From time to time, as requested in writing by the Department, the Grantee shall submit such data and other information as the Department may require.

E. Failure to report as required or respond to requests for data or information in a timely manner may be grounds for suspension or termination of the Grant.

XIV. Procurement Procedures

A. The Grantee shall use established procurement procedures which reflect applicable State and local laws and regulations and the Department's Procedures for the establishment of procurement systems.

B. These standards do not relieve the Grantee of any contractual responsibilities under its contracts. The Grantee is responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements entered into support of a grant. These include but are not limited to source evaluation, protests, disputes, and claims.

XV. Bonding Requirements

A. When administering federal grants and subgrants, a Grantee may follow its own requirements and practices with respect to: (1) bonding of employees and contractors, and (2) insurance. Federal grantor agencies are not permitted to impose requirements beyond those listed below. The government-wide grants management common rule, "Uniform Administrative Requirements for Grants to State and Local Governments," contains bonding requirements only for circumstances when a grantee contracts for construction or facility improvement (including alteration and renovation) and the bids and contracts exceed $25,000. The following types of bonds are required in the "Procurement" section of the common rule:

- A 100 percent "performance bond" on the part of the contractor to secure fulfillment of all the contractor's obligations under the contract; and
- A 100 percent "payment bond" on the part of the contractor to assure payment, as required by law, of all persons supplying labor and materials as part of work provided under the contract.

B. The Department reserves the right to promulgate and enforce bonding procedures and requirements applicable to any project.

C. All bonds shall be procured from a surety company registered and licensed to do business in the State of Kansas and countersigned by its Kansas resident agent.

XVI. Program Income

A. Program Income, as defined in the Final Statement, means gross income earned by the Grantee from activities supported by grants made by the Department under the provisions of the Federal Act, or as otherwise defined by the Department.

B. All Program Income from a project funded by this Agreement may be retained by the Grantee (unless specified as a Special Condition to this agreement) and shall be added to funds committed to the support of the program established by this Agreement or for such eligible program activities as may be authorized by the Department. This income shall be disbursed to the maximum extent feasible prior to requisitioning additional funds under this agreement.

XVII. Program Close-out Procedures

A. Program close-out is the process by which the Department determines that all applicable administrative and financial actions and all required work of the program including audit and resolution of audit findings have been completed or that there are no additional benefits likely to occur by continuation of program activities or costs. All findings from Department monitoring visits must be cleared prior to close-out.

B. The Completion Date is the date specified in Section IV., Period of Performance, of this Agreement or amendment thereto, on which assistance ends for all program activities except those required to complete the close-out or the date on which the grant is suspended or terminated.

C. The Grantee shall submit to the Department close-out documents covering the entire program within ninety (90) days of completion date. Additionally, one copy must be placed where other program documents are available for public review, and at least one copy must remain in the Grantee's files. The Department may grant extensions to the time for submission of these documents when so requested by the Grantee in writing.

D. The Department retains the right to recover any appropriate amount of unobligated program funds.

E. The Grantee shall account for any property acquired with grant funds, or received from the federal or state government in accordance with the Department's property management procedures.

XVIII. Termination for Convenience

A. The Department or Grantee may terminate the grant in whole, or in part, when both parties agree that the continuation of the program would not produce beneficial results commensurate with the further expenditure of funds.

B. The two parties shall agree upon the termination conditions, including the effective date and, in the case of partial terminations, the portion to be terminated.

C. The Grantee shall not incur new obligations for the terminated portion after the effective date, and shall cancel as many outstanding obligations as possible. The Grantee shall be allowed full credit for noncancelable obligations, property incurred prior to termination.

XIX. Suspension or Termination-for-Cause

A. The Department may suspend the grant, in whole or in part, at any time during the Grant Period, and upon reasonable notice to the Grantee withhold further payments or prohibit the Grantee from incurring additional obligations of grant funds when it is determined that the Grantee has failed to substantially comply with the conditions of this Agreement. This will be done pending corrective action by the Grantee or a decision by the Department to terminate the grant. The Department shall allow all necessary and proper costs which the Grantee could not reasonably avoid during the period of suspension.

B. The Department, after reasonable notice following procedures pursuant to Final Statement may terminate the grant, in whole or in part, at any time during the Grant Period when it is determined that the Grantee has failed to substantially comply with the conditions of this Agreement. The Department shall promptly notify the Grantee in writing, of the determination and the reasons for the termination, together with the effective date and may initiate procedures to recapture all funds advanced to Grantee.

C. Payments made to the Grantee or recoveries by the Department under grants which have been suspended or terminated for cause shall be in accord with the legal rights and liabilities of the parties.

XX. Audit Requirements

A. The Grantee shall arrange for the performance of annual financial/compliance audits of the grant project. All audits must be performed by an independent qualified auditor. The audit period is identical with the Grantee's regular fiscal year. The audit(s) will be conducted in accordance with the requirements set forth in the audit section of the Kansas CDBG Handbook, which are based on the U.S. Single Audit Act of 1984 as amended in 1996 and Office of Management and Budget (OMB) Circular A-133.

   1. If the local government expends $500,000 or more of Federal grant assistance from all programs, it must have an annual audit performed in accordance with OMB Circular A-133. An A-133 audit is a financial and compliance audit that covers the entire operations of the local government, rather than being limited to the CDBG project or other Federal grants.

   2. If the local government expends less than $500,000 in a fiscal year, it will be the option of the Department of Commerce to determine if a project specific audit will be required. If such audit is required, it will be procured and paid for by the Department.

   3. Grantee's will be required to submit the "audit information form" to the Department of Commerce each fiscal year. This form must be submitted to the Department by or before March 20th of each fiscal year.

B. Grantees are required to submit one copy of a fiscal year audit report covering the program. The audit reports shall be sent within 30 days after the completion of the audit, but no later than the nine months after the end of the audit period unless agreed to by the Department.

C. If any expenditures are disallowed as a result of the Final Audit Report, the obligation for reimbursement to the Kansas Small Cities Community Development Block Grant Program shall rest with the Grantee.

XXI. Retention of and Access to Records

A. Financial records, supporting documents, statistical records, and all other records pertinent to this program shall be retained in accordance with the Department's Procedures.

B. Authorized representatives of the Department, the Secretary of HUD, the Inspector General of the United States, or the U.S. General Accounting Office shall have access to all books, accounts, records, reports, files, papers, things, or property belonging to, or in use by, the Grantee pertaining to the administration of these grants and the receipt of assistance under the Small Cities CDBG program as may be necessary to make audits, examinations, excerpts, and transcripts for a period of three years after the entire State CDBG grant year you were awarded from has been closed out by HUD.

C. Any contract or agreement entered into by the Grantee shall contain language comparable to subsection (B) so as to assure access by authorized parties to the pertinent records of any subgrantee, contractor, or subcontractor.

XXII. Conflict of Interest

A. In the procurement of supplies, equipment, construction and services by Grantees and subgrantees, the conflict of interest provisions of the Kansas Department of Commerce as provided at CFR 570.611 shall apply.

B. No member of the Governing Body, officer or employee of the Grantee, or its designees or agents, or any other person who exercises any functions or responsibilities with respect to the program assisted by this Agreement during his tenure or for one year thereafter, shall have any direct interest in any contract or subcontract, or the proceeds thereof, for the work to be performed in connection with the program.

C. The Grantee shall incorporate, or cause to be incorporated, in all third party agreements, a provision prohibiting such interest pursuant to the purpose of this Section.

D. The Grantee shall not employ, nor shall permit any third party to employ any employee of the Department.

XXIII. Equal Opportunity

In addition to all equal opportunity provisions and the Assurances incorporated by reference herein, the Grantee agrees to comply with all of the requirements of the Kansas Acts Against Discrimination relating to fair employment practices, to the extent applicable and shall cause the foregoing provisions to be inserted in all contracts with third parties for any work covered by this Agreement so that such provisions will be binding upon such third parties.

Grantee will conduct and administer the grant in conformity with Title VI of the Civil Rights Act of 1964 (42 USC 2000d et seq., as amended) and the Fair Housing Act (42 USC 3601-20) and will affirmatively further fair housing.

XXIV. Waiver of Enforcement

A waiver by the Department of the right to enforce any provision of this Agreement shall not be deemed a waiver of the right to enforce each and all of the provisions herein.

XXV. Reversion of Assets

A. Consistent with the provisions at 24 CFR 570.703, the Grantee shall transfer any CDBG funds on hand at the time of expiration of the Agreement and any accounts receivable attributable to the use of CDBG funds to the Department.

B. Any real property under the Grantee's control that was acquired or improved in whole or in part with CDBG funds in excess of $25,000 shall be used for its original intended purpose for five years after expiration of the agreement. Should the Grantee fail to utilize said property for its intended purpose, the Grantee shall pay the Department an amount equal to the current market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for the acquisition of, or improvement to, the property.

XXVI. Budget Amendments and Other Changes

A. During the implementation of the grant project, the Grantee may revise the CDBG activities amounts in the CONTRACT PROJECT BUDGET FORM; provided that:

1. The cumulative effect of the revision is to not make line item budget transfers which exceed ten percent of the total grant or $10,000 cumulative of CDBG monies, whichever is less.
2. The change does not increase any professional services of the CDBG approved budget;
3. The change will not significantly change the scope, location or objectives of the approved activities; and
4. The change does not add or eliminate any activity.

B. Any such changes to this Agreement shall constitute an amendment, including time extension of the completion date.

C. The Grantee shall notify the Department if, through the use of other funds, there is an intention to expand, enhance or add to the scope of the program covered by the Agreement, or there is a proposal to undertake activities that will have an impact upon the buildings, areas or activities of this program. The Department reserves the right to require an amendment to this Agreement if such is deemed necessary.

D. Amendments to the terms and conditions of this Agreement shall not become effective unless reduced to writing, applicable standard forms submitted in duplicate, passed by Resolution of the governing body, and signed by the duly authorized representative of the Grantee, and signed by the Department.

E. **I hereby certify that I have knowledge of all activities in the above-referenced grant. I also certify that I am aware that the regulations of the CDBG program prevent the use of any facility built or rehabilitated with CDBG funds, or any portion thereof, to be used for the conduct of official business. By accepting the above-referenced grant award, I certify that no portion of the above grant award violates this regulation.**

Copies or originals of all CDBG recipient files and documentation must be maintained at the recipient's principal place of business.

We, the undersigned, have read and understood the above document and hereby agree to the terms and conditions contained herein.

Dated by the Department of Commerce this _____ day of _____, 20 _____.

STATE OF KANSAS
DEPARTMENT OF COMMERCE

By: _____
CDBG Program
Kansas Department of Commerce

By: _____
Notary Public, State of Kansas

City of Coffeyville Kansas
(Grantee)

By: _____
(Name) (Title)

(SEAL)

ATTEST: _____
(For the Grantee)

SPECIAL CONDITIONS

In addition to the general terms and conditions of this Agreement, the Grantee and the Department hereby agree to the following Special Conditions:

1. As provided in Section IX., Program Costs, F., the Notification of Award for the grant under this Agreement is dated **JANUARY 26, 2015.**

2. As provided in Section XIII., Monitoring and Reporting, B., the Grantee shall submit Quarterly Progress Reports to the Department. The reporting periods consist of January/February/March, April/May/June, July/August/September and October/November/December. Quarterly Progress Reports are to be submitted to the Department on or before ten (10) days after the end of each quarter. A Quarterly Progress Report shall be submitted for each quarter, or portion thereof, during the Period of Performance as provided in Section IV. Any extension of time approved by the Department will require additional Quarterly Progress and Financial Reports to be submitted in accordance with the above-referenced schedule.

3. As provided in Section IV., Period of Performance, all activities assisted by this Agreement shall be completed on **MARCH 31, 2017** except for those activities required to close out the program, such as the Final Program Report and the Final Audit Report.

4. As provided in Section XIII., Monitoring and Reporting, C., the Grantee shall submit a Final Program Report to the Department on or before **JUNE 30, 2017**.

5. The Grantee shall not use funds that have been granted by HUD under the Federal Act, or which may have been accrued as a consequence of activities supported with such grant funds (program income), in whole or in part for the support of the Activities covered by this Grant Agreement without first having secured the express written approval of HUD.

6. The Grantee shall be permitted to satisfy the program audit requirements of Section XX., Audit Requirements, by conducting a single municipal government-wide financial audit at the time of an annual audit provided for by Kansas law. Said audit will be completed on or before September 30 of each year the grant is open and one year after the grant is closed. Grantees receiving federal assistance in any fiscal year must have an audit made in accordance with the Single Audit Act of 1984 as amended in 1996 (OMB Circular A-133) for such fiscal year unless exempted under OMB Circular A-133. Those Grantees having expended $500,000 or more of total federal funds from all sources must have an annual audit.

7. Will require each unit of local government to be distributed Title I funds to adopt and enforce a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations in accordance with Section 519 of Public Law 101-144, (the 1990 HUD Appropriations Act) and prohibiting the barring of entrance or exit to any facility or location which is the subject of such demonstration (Cranston-Gonzales National Affordable Housing Act).

8. In addition to the above certifications, the undersigned also makes the certification required which is attached regarding Lobbying.

CERTIFICATION REGARDING LOBBYING

The undersigned certifies, to the best of his or her 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 any 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, and the extension, continuation, renewal, amendment, 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 subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

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. 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.

_____ Date

_____ Official

Grantees are required to keep records until three years after the entire CDBG grant year from HUD has been closed out.

GRANTEE NAME: City of Coffeyville **GRANT NUMBER: 15-PF-016**

ACTIVITY	CDBG FUNDS	OTHER FUNDS	SOURCE OF OTHER FUNDS	TOTAL COST
1. Public Facilities/Construction				
a. Water Treatment Plant				$ -
b. Sewer/Lines/Treatment				$ -
c. Street Improvements	$ 382,000	$ 290,000	City Funds	$ 672,000
d. Drainage/Flood				$ -
e. Center/Facility				$ -
f. Other (Identify)				$ -
g. Acquisition, including easements				$ -
h. Engineering Design		$ 56,000		$ 56,000
i. Construction Inspection		$ 52,000		$ 52,000
j. Architectural Services				$ -
k. Other Professional Services				$ -
Public Facility Activities Total	$ 382,000	$ 398,000		$ 780,000
2. Housing Activities				
a. Housing Rehabilitation				$ -
b. Lead-Based Paint Activities				$ -
c. Demolition				$ -
d. Acquisition				$ -
e. Relocation				$ -
f. New Construction				$ -
g. Housing Inspection				$ -
Housing Activities Total	$ -	$ -		$ -
3. Administration				$ -
a. Administrative Activities	$ 18,000	$ 2,000	City Funds	$ 20,000
b. Legal				$ -
c. Audit				$ -
Administration Total	$ 18,000	$ 2,000		$ 20,000
ALL ACTIVITIES TOTAL	$ 400,000	$ 400,000		$ 800,000

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