

**AMENDMENT TWO  
TO THE FEDERALLY FUNDED  
COMMUNITY DEVELOPMENT BLOCK GRANT  
MITIGATION PROGRAM (CDBG-MIT)  
SUBRECIPIENT AGREEMENT**

On **February 11, 2022**, the State of Florida, Department of Commerce (“Commerce”), formerly known as the Florida Department of Economic Opportunity, and the **City of Palm Bay, Florida** (“Subrecipient”) entered into agreement **I0147** (“Agreement”). Commerce and the Subrecipient may individually be referred to herein as a “Party” or collectively as the “Parties”.

**WHEREAS**, Section 5, Modification of Agreement, of the Agreement provides that any amendment to the Agreement shall be in writing executed by the Parties thereto.

**WHEREAS** the Agreement was previously amended on **December 11, 2022**; and

**WHEREAS** the Parties wish to amend the Agreement as set forth herein.

**NOW THEREFORE**, in consideration of the mutual covenants and obligations set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to the following:

1. On July 1, 2023, the Florida Department of Economic Opportunity was renamed the “Florida Department of Commerce.” Effective July 1, 2023, all references throughout the Agreement to “Department of Economic Opportunity” or “DEO” are replaced with “Department of Commerce” or “Commerce” as appropriate.
2. **Section 21 FUNDING/CONSIDERATOIN (a)** is hereby deleted in its entirety and replaced with the following:
  - (a) The funding for this Agreement shall not exceed Two Hundred Twenty-Eight Thousand Nine Hundred Thirty Dollars and Thirty cents (\$228,930.30) subject to the availability of funds. The State of Florida and Commerce’s performance and obligation to pay this Agreement is contingent upon annual appropriations by the Legislature and subject to any modification in accordance with Chapter 216, F.S. or the Florida Constitution.
3. **Section 28, Employment Eligibility Verification**, is hereby deleted in its entirety and replaced with the following:

**(28) Employment Eligibility Verification**

- A. E-Verify is an Internet-based system that allows an employer, using information reported on an employee’s Form I-9, Employment Eligibility Verification, to determine the eligibility of all new employees hired to work in the United States. There is no charge to employers to use E-Verify. The Department of Homeland Security’s E-Verify system can be found at: <https://www.e-verify.gov/>.
- B. In accordance with section 448.095, F.S., the State of Florida expressly requires the following:

- (1) Every public agency and its contractors and subcontractors shall register with and use the E-Verify system to verify the work authorization status of all newly hired employees. A public agency or a contractor or subcontractor thereof may not enter into a contract unless each party to the contract registers with and uses the E-Verify system.
  - (2) An employer shall verify each new employee's employment eligibility within three (3) business days after the first day that the new employee begins working for pay as required under 8 C.F.R. 274a. Beginning July 1, 2023, a private employer with 25 or more employees shall use the E-Verify system to verify a new employee's employment eligibility.
- C. If an entity does not use E-Verify, the entity shall enroll in the E-Verify system prior to hiring any new employee or retaining any contract employee after the effective date of this Agreement.
4. **Attachment A, Scope of Work – Project Description, Deliverables**, is hereby deleted in its entirety and replaced with the attached.
5. **Attachment G, Reports, Section 3**, is hereby deleted in its entirety and replaced with the following:
  3. The Subrecipient shall closeout its use of the CDBG-MIT funds and its obligations under this Agreement by complying with the closeout procedures in 2 CFR § 200.344. Activities during this close-out period may include, but are not limited to making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances and accounts receivable to the Subrecipient) and determining the custodianship of records.

Notwithstanding the terms of 2 CFR 200.344, upon the expiration of this Agreement, the Subrecipient shall transfer to the recipient any CDBG-MIT funds on hand at the time of expiration and any accounts receivable attributable to the use of CDBG-MIT funds. Further, any real property under the Subrecipient's control that was acquired or improved in whole or in part with CDBG-MIT funds (including CDBG-MIT funds provided to the Subrecipient in the form of a loan) shall be treated in accordance with 24 CFR 570.503(b)(7).
6. **Attachment G, Reports, Section 6**, is hereby deleted in its entirety and replaced with the following:
  - 6. Section 3 Quarterly Reporting Requirements.** Reporting of labor hours for Section 3 projects must comply with 24 CFR §75.25(a). Subrecipients must report the following: (i) the total number of labor hours worked; (ii) the total number of labor hours worked by Section 3 workers; and (iii) the total number of labor hours worked by Targeted Section 3 workers. If Section 3 benchmarks are not met, the subrecipient's qualitative efforts must be reported in a manner required by 24 CFR §75.25(b).

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Subrecipients shall provide Section 3 Reporting quarterly to Commerce by the 10th of each quarter (January 10, April 10, July 10, and October 10). For Section 3 Reporting, Subrecipients should complete and return the Project Implementation Plan template to Commerce.

7. **Exhibit 1 to Attachment I – Funding Sources Federal Funds Obligated to Subrecipient**, is hereby delated in its entirety and replaced with the following:

Federal Funds Obligated to Subrecipient:       \$228,930.30

8. All other terms and conditions of the Subrecipient Agreement not otherwise amended remain in full force and effect.

**~ Remainder Left Intentionally Blank ~**

**IN WITNESS HEREOF**, by signature below, the Parties agree to abide by the terms, conditions, and provisions of Commerce Agreement Number **I0147**, as amended. This Amendment is effective on the date the last Party signs this Amendment.

<b>CITY OF PALM BAY, FLORIDA</b>	<b>FLORIDA DEPARTMENT OF COMMERCE</b>
SIGNED:	SIGNED:
<b>SUZANNE SHERMAN</b>	<b>J. ALEX KELLY</b>
<b>CITY MANAGER</b>	<b>SECRETARY</b>
DATE:	DATE:

Approved as to form and legal sufficiency, subject only to full and proper execution by the Parties.

**OFFICE OF GENERAL COUNSEL  
FLORIDA DEPARTMENT OF COMMERCE**

By: \_\_\_\_\_

Approved Date: \_\_\_\_\_



## Attachment A – Project Description and Deliverables

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1. **PROGRAM DESCRIPTION:** In April 2018, the U.S. Department of Housing and Urban Development (HUD) announced the State of Florida, Department of Commerce (Commerce) would receive \$633,485,000 in funding to support long-term mitigation efforts following declared disasters in 2016 and 2017 through HUD's Community Development Block Grant Mitigation (CDBG-MIT) program. Awards were distributed on a competitive basis targeting HUD designated Most Impacted and Distressed (MID) Areas, primarily addressing the Benefits to Low-to-Moderate Income (LMI) National Objective. Additional information may be found in the Federal Register, Vol. 84, No. 169.

The Florida Department of Commerce (Commerce) has apportioned the Federal Award to include the following initiatives: Critical Facility Hardening Program \$75,000,000; General Planning Support Program \$20,000,000; General Infrastructure Program \$475,000,000; and State Planning and Administration \$63,485,000.

This award has been granted under the **Critical Facility Hardening Program**. Projects eligible for funding under this program must harden critical buildings that service a public safety purpose for local communities. Critical buildings include:

- Potable water facilities
- Wastewater facilities
- Police departments
- Hospitals
- Emergency operation centers
- Emergency shelters

2. **PROJECT DESCRIPTION:** The City of Palm Bay, Florida has been awarded Two Hundred Twenty-Eight Thousand Nine Hundred Thirty Dollars and Thirty cents (**\$228,930.30**) in CDBG-MIT (Community Development Block Grant – Mitigation) funding to harden the Palm Bay Main Police Station to mitigate against impacts from natural and man-made disasters through replacement of the roof and hurricane shutters. This project will meet the Low-to Moderate Income (LMI) National Objective with 56.27% of the area of benefit consisting low-to-moderate income residents. This project will be leveraged with \$673,418.00 from FEMA HMGP grant funding.

### 3. SUBRECIPIENT RESPONSIBILITIES

- A. Complete and submit the below items to Commerce within thirty (30) calendar days of execution of the agreement:
  - 1) Organizational Chart with contact information
  - 2) Job descriptions for Subrecipient's employees, contracted staff, vendors, and contractors.
- B. Develop and submit a copy of the following policies and procedures to the Commerce Grant Manager for review and approval within thirty (30) calendar days of Agreement execution. The Commerce Grant Manager will provide approval in writing prior to the policies and procedures being implemented.
  - 1) Procurement policies and procedures that incorporate 2 CFR 200.317-327.

- 2) Administrative financial management policies, which must comply with all applicable HUD CDBG-MIT and State of Florida rules.
  - 3) Quality assurance and quality control system policies and procedures that comply with all applicable HUD CDGB-MIT and COMMERCE policies.
  - 4) Policies and procedures to detect and prevent fraud, waste and abuse that describe how the subrecipient will verify the accuracy of monitoring policy indicating how and why monitoring is conducted, the frequency of monitoring policy, and which items will be monitored, and procedures for referring instances of fraud, waste and abuse to HUD IOG Fraud Hotline (phone: 1-800-347-3735 or email [hotline@hudoig.gov](mailto:hotline@hudoig.gov))
  - 5) Policies and procedures for the requirements under 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award.
- C. Attend fraud related training offered by HUD OIG to assist in the proper management of CDBG-MIT grant funds when available.
  - D. Upload required documents into a system of record provided by Commerce.
  - E. Complete and submit an updated Project Detail Budget (Attachment B) for review and approval by Commerce no later than thirty (30) days after Agreement execution. Any changes to the Project Detail Budget must be submitted in the monthly report submitted to Commerce for review and approval by the Commerce Grant Manager.
  - F. Maintain organized subrecipient agreement files and make them accessible to Commerce or its representatives, upon request.
  - G. Comply with all terms and conditions of the subrecipient agreement, Infrastructure Program Guidelines, Action Plans, Action Plan amendments, and Federal, State, and local laws.
  - H. Provide copies of all proposed procurement documents to Commerce ten (10) days prior to posting as detailed in Attachment D of Subrecipient Agreement. The proposed procurement documents will be reviewed and approved by Commerce Grant Manager. Should the procurement documents require revisions based on state or federal requirements, Subrecipient will be required to postpone procurement and submit revised documents for review and approval.
  - I. Complete procurement of all applicants for internal grants management and compliance and direct program and product production, including:
    1. Selection of applicants, subrecipients and/or staff that will be responsible for managing applicant intake and related operations, compliance, finance, and administration.
    2. Selection of applicants, subrecipients and/or staff that will be responsible for appraisal, environmental review, title services and legal services.
    3. Copies of all contracts that will be executed by Subrecipient. Contracts must be provided to Commerce prior to execution as detailed in Attachment D. Any contract executed by Subrecipient must follow the terms and conditions set forth in this Agreement. Should the submitted contract require necessary additions and/or changes, Commerce's Contract Manager will contact Subrecipient regarding changes. Subrecipient is required to submit the updated contract within thirty (30) days. Should the contract not be submitted in a timely manner, Subrecipient will be required to complete the selection process once more.
  - J. Ensure all projects seeking assistance under the current CDBG-MIT funds, and any future funds allocated for Mitigation, provided by Commerce, receive the required Environmental Clearance from Commerce prior to Subrecipient being able to commit CDBG-MIT funds.

- K. Provide the following information on a quarterly basis within ten (10) calendar days after the end of each quarter:
  - 1. A revised detail report measuring the actual cost versus the project cost.
  - 2. An updated Attachment C which documents any changes to the project progress along with justification for the revision.
- L. Develop and submit to Commerce a monthly revised detailed timeline for implementation consistent with the milestones outlined in the Mitigation Program Guidelines and report actual progress against the projected progress ten (10) calendar days after the end of each month.
- M. Provide the following information on a quarterly basis within ten (10) calendar days of the end of each quarter:
  - 1. Submit updated organization chart on a quarterly basis with quarterly report.
  - 2. If staffing changes, there must be a submittal stating the names, job descriptions, on the monthly report deadline.
  - 3. A progress report documenting the following information:
    - a. Accomplishments within the past quarter;
    - b. Issues or risks that have been faced with resolutions; and
    - c. Projected activities to be completed within the following quarter.
- N. Subrecipient shall adhere to the deadlines for the project as agreed upon in the Attachment C — Activity Work Plan. If Subrecipient is unable to meet a deadline within thirty (30) calendar days of the due date, Subrecipient shall request an extension of such deadline from Commerce in writing at least thirty (30) business days prior to the deadline. Deadlines shall not be extended outside of the term of this Agreement except by a formal amendment executed in accordance with Section (5) Modification of Agreement.
- O. Close out report will be due no later than sixty (60) calendar days after this Agreement ends or is otherwise terminated.

**4. ELIGIBLE TASKS AND DELIVERABLES: Subrecipient shall complete the following:**

**A. Deliverable No. 1 – Replace Existing Roof**

Tasks that are eligible for reimbursement are as follows:

- 1. Utilizing current local purchasing requirements, in compliance with HUD guidelines, and prior approval of assigned Grant Manager, secure construction bid for the roof replacement to the specification detailed in the engineering/ design provided under the HMGP Task Orders (engineering funding not requested under Critical Facility Hardening Program-CFHP)
- 2. Remove and properly dispose of existing roof in accordance with local and international building codes.
- 3. Once roof is installed, ensure code enforcement approval and acceptance of performance in accordance with purchasing agreement.
- 4. After acceptance and payment to vendor, submit invoice and documentation for reimbursement through the Subrecipient Enterprise Resource Application-SERA.

**B. Deliverable No. 2 – Add New/Replace Existing Hurricane Shutters with Manual and Automated Roll Down Shutters**

Tasks that are eligible for reimbursement are as follows:

1. Utilizing current local purchasing requirements, in compliance with HUD guidelines, and prior approval of assigned Grant Manager, secure bid for the installation of both manual and automated roll-down hurricane shutters to the specifications detailed in the engineering design provided under the HMGP Task Orders (engineering funding not requested under CFHP)
2. Remove and properly dispose of existing hurricane shutters in accordance with local and international building codes.
3. Once shutters are installed, ensure code enforcement approval and acceptance of performance in accordance with purchasing agreement.
4. After acceptance and payment to vender, submit invoice and documentation for reimbursement through SERA.

**5. COMMERCE’S RESPONSIBILITIES**

- A. Monitor the ongoing activities of Subrecipient to ensure all activities are being performed in accordance with the Agreement to the extent required by law or deemed necessary by Commerce in its discretion.
- B. Assign a Grant Manager as a point of contact for Subrecipient.
- C. Review Subrecipient’s invoices described herein and process them on a timely basis.
- D. Commerce shall monitor progress, review reports, conduct site visits, as Commerce determines necessary at Commerce’s sole and absolute discretion, and process payments to Subrecipient.

**6. DELIVERABLES:**

<b>Deliverable No. 1 – Replace Existing Roof</b>		
<b>Tasks</b>	<b>Minimum Level of Service</b>	<b>Financial Consequences</b>
Subrecipient shall complete eligible tasks as detailed in Section 4.A of this Scope of Work.	Subrecipient may request reimbursement upon completion of activities in accordance with Section 4.A of this Scope of Work in the following increments: 10%, 20%, 30%, 40%, 50%, 60%, 70%, 80%, 90%, and 100%, evidenced by submittal of the following documentation. <ol style="list-style-type: none"> <li>1) AIA forms G702 and G703, or similar accepted Commerce form, completed by a licensed professional certifying to the percentage of project completion;</li> <li>2) Photographs of project in progress and</li> </ol>	Failure to complete the Minimum performance measures as specified shall result in non-payment for this deliverable.

	completed; and 3) Invoice package in accordance with Section 7 of this Scope of Work.	
<b>Deliverable No. 1 Cost: \$179,900.00</b>		
<b>Deliverable No. 2 – Add New/Replacing Window Shutters With Manual And Automated Roll-Down Shutters</b>		
Tasks	Minimum Level of Service	Financial Consequences
Subrecipient shall complete eligible tasks as detailed in Section 4.B of this Scope of Work.	Subrecipient may request reimbursement upon completion of a minimum of one (1) task in accordance with Section 4.B of this Scope of Work, in the following increments: 10%, 20%, 30%, 40%, 50%, 60%, 70%, 80%, 90%, and 100%, evidenced by submittal of the following documentation:  1) Engineering design, working drawings and associated cost estimates, if applicable; 2) Copies of all required permits, if applicable; and Invoice package in accordance with Section 7 of this Scope of Work.	Failure to complete the Minimum performance measures as specified shall result in non-payment for this deliverable.
<b>Deliverable No. 2 Cost: \$ 49,030.30</b>		
<b>TOTAL PROJECT COST NOT TO EXCEED \$228,930.30</b>		

## 7. INVOICE SUBMITTAL

Commerce shall reimburse the Subrecipient in accordance with Section 6, above. In accordance with the Funding Requirements of s. 215.971(1), F.S. and Section (21) of this Agreement, the Subrecipient and its subcontractors may only expend funding under this Agreement for allowable costs resulting from obligations incurred during this Agreement. To be eligible for reimbursement, costs must be in compliance with laws, rules and regulations applicable to expenditures of State funds, including, but not limited to, the Reference Guide for State Expenditures (<https://www.myfloridacfo.com/docs-sf/accounting-and-auditing-libraries/state-agencies/reference-guide-for-state-expenditures.pdf>).

- A. Subrecipient is allowed to submit multiple invoices per month for services rendered during the applicable period of time as defined in the deliverable table.
- B. The following documents shall be submitted with the itemized invoice:
  1. A cover letter signed by Subrecipient's Agreement Manager certifying that the costs being claimed in the invoice package: (1) are specifically for the project represented to the State in the budget appropriation; (2) are for one or more of the components as stated in

Section 5, DELIVERABLES, of this SCOPE OF WORK; (3) have been paid; and (4) were incurred during this Agreement.

2. Subrecipient's invoices shall include the date, period in which work was performed, amount of reimbursement, and work completed to date;

3. A copy of all supporting documentation for vendor payments;

4. A copy of the bank statement that includes the cancelled check or evidence of electronic funds transfer. The State may require any other information from Subrecipient that the State deems necessary to verify that the services have been rendered under this Agreement.

- C. The Subrecipient's invoice and all documentation necessary to support payment requests must be submitted into Commerce's Subrecipient Enterprise Resource Application (SERA). Further instruction on SERA invoicing and reporting, along with a copy of the invoice template, will be provided upon execution of the agreement.

**~ Remainder Left Intentionally Blank ~**