



REPORT TO CITY COUNCIL

Approved by:

Anthony R. Forestiere

Department Director

Arnoldo Rodriguez

Arnoldo Rodriguez, City Manager

Council Meeting of: September 15, 2021

Agenda Number: B-9

SUBJECT:

Transfer of Community Development Block Grant (CDBG) Funds from the City's Engineering to the Public Works Department and Approve Amendment to CDBG Subrecipient Agreement with City's Public Works Department

RECOMMENDATION:

Adopt a Resolution Approving an Amendment to CDBG Subrecipient Agreement with City Public Works Department, Rescinding Resolution No. 21-14 approving Subrecipient Agreement for \$36,755 with City Engineering Department, and approving a transfer of \$36,755 in CDBG funds from the Engineering Department to Public Works Department

SUMMARY:

During the July 22, 2020, City Council (Council) meeting, funding allocations were approved for the Community Development Block Grant (CDBG) Annual Action Plan. The use of funds requires the City to meet goals and requirements established by the U.S. Department of Housing and Urban Development (HUD).

At that time, Engineering Department was awarded \$36,755 for sidewalk and concrete repairs at various locations. Council may recall that more recently, on July 21, 2021, Council awarded the Public Works Department \$500,000 for sidewalk repair in low-income Census Blocks as defined by HUD. Staff is now proposing that the \$36,755 be combined with the \$500,000 for a total of \$536,755. It is noted that the scope of the project remains the same; however, project management will be led Public Works Department whereas the Engineering Department will assist when necessary.

This transfer of funds and amendment to the agreement with City Public Works will rescind the previous agreement in the amount of \$36,755 with City Engineering Department dated January 20, 2021.

DISCUSSION:

During the approval process of the Action Plan, the City conducted public hearings to solicit community input on use of said funds. Sidewalk and concrete repairs were high on the requests from the community.

FINANCIAL IMPACT:

There will be no Financial Impact to the General Fund. The City will be administering the grant with CDBG funded allocations.

CONSISTENCY WITH THE VISION MADERA 2025 PLAN:

The CDBG program has the potential to advance an extensive number of the Vision Plan's objectives and the commission performs a valuable role in the community input process.

- Strategy 113.3: Establish budgets to ensure all City facilities that provide services to the public are ADA compliant.
- Strategy 121.10: Add facilities and amenities for the public.
- Strategy 126.6: Establish budgets to redevelop existing streets to install sidewalks, curb cuts, streetlights, and landscaping strips.

ALTERNATIVES:

As an alternative, the Council may deny the transfer of funds; however, the smaller of the award amounts may result in less sidewalks being repaired considering that the larger award amount is expected to benefit from scales of economies by sharing in fixed costs including, but not limited to, preparing a Request for Proposal, advertising for bid, reviewing bids, and/or staging of equipment. Council may request that staff provide additional analysis for consideration at a future Council meeting.

ATTACHMENTS:

1. Resolution
2. Agreement Amendment

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL, OF THE CITY OF MADERA, CALIFORNIA APPROVING AN AMENDMENT TO CDBG SUBRECIPIENT AGREEMENT WITH CITY PUBLIC WORKS DEPARTMENT, RESCINDING RESOLUTION NO. 21-14, APPROVING SUBRECIPIENT AGREEMENT FOR \$36,755 WITH CITY ENGINEERING DEPARTMENT, AND APPROVING A TRANSFER OF \$36,755 IN CDBG FUNDS FROM THE ENGINEERING DEPARTMENT TO PUBLIC WORKS DEPARTMENT

WHEREAS, per Resolution No. 21-14, the City Council approved a Subrecipient Agreement with the City Engineering Department in the amount of \$36,755; and

WHEREAS, per Resolution No 21-104, the City Council approved a Subrecipient Agreement with the City Public Works Department in the amount of \$500,000; and

WHEREAS, in order to create efficiencies it is in the City's best interests to transfer the scope of work and the related dollar amount from the Engineering Department to the Public Works Department; and

WHEREAS, staff confirmed with HUD that such transfer is appropriate through a contract amendment; and

WHEREAS, the Director of Financial Services is hereby authorized to take such action to implement the terms of the Resolution.

NOW, THEREFORE, the City Council of the City of Madera finds, determines, resolves and orders as follows:

1. The recitals listed above are true and correct.
2. The Council approves the Amendment to Subrecipient Agreement between the City and City of Madera and the Public Works Department attached hereto as Exhibit 1 and incorporated by reference. Such Amendment to Subrecipient Agreement effects the transfer of the scope of services and compensation under the previously approved Subrecipient Agreement with the Engineering Department to the Public Works Department.
3. Resolution No. 21-14 is hereby rescinded.

4. The Director of Financial Services is authorized to transfer the \$36,755 from the Engineering Department to the Public Works Department consistent with the foregoing.
5. This resolution is effective upon receipt of written confirmation from the U.S. Department of Housing and Urban Development of the City of Madera 2020/21 Action Plan approval.

**COMMUNITY DEVELOPMENT BLOCK GRANT
AMENDMENT TO SUBRECIPIENT AGREEMENT
BETWEEN THE CITY OF MADERA AND THE CITY OF MADERA PUBLIC WORKS DEPARTMENT**

This Amendment to Community Development Block Grant Subrecipient Agreement (“Amendment to Agreement”) is entered into, effective on the date of September 15, 2021, by and between the City of Madera (“City”) and the City of Madera Public Works Department, hereafter referred to as "SUBRECIPIENT."

RECITALS

- A. On July 22, 2021, the City and the City Public Works Department entered a CDBG Subrecipient Agreement setting sets forth the responsibilities of City and Subrecipient in accomplishing the objectives of the United States Department of Housing and Urban Development (HUD) Community Development Block Grant as set forth in the Housing and Community Development Act of 1974, (hereinafter referred to as “CDBG”), as amended.
- B. The Parties wish to amend the Subrecipient Agreement by Adding to the Scope of Services and to the Compensation as authorized by HUD.
- C. This amendment is Increasing the amount of the allocation to Public Works in the amount of \$36,755 from an Engineering CDBG project.

AGREEMENT

SECTION 1. Section 1 of the Subrecipient Agreement titled “Services” is amended by the addition of the following text:

The Subrecipient shall provide all services and responsibilities as set forth in the project design, which is attached to this Agreement, marked as Exhibit “A-1” and incorporated herein by reference.

SECTION 2. Subsection 2a “Compensation” of Section 2 of the Agreement titled “Funding and Method of Payment” is amended to read as follows:

a. Compensation

Payments shall be made after receipt and verification of actual expenditures incurred by the Subrecipient in the performance of this Agreement and shall be documented to the City by the tenth (10th) day of the month following the end of each month. Allowable expenditures under this Agreement are specifically established, attached, and incorporated by reference as Exhibit “B”.

The total obligation of the City under this Agreement shall not exceed \$536,755.00 in fiscal year 2021-2022. Any compensation not consumed by expenditures of the SUBRECIPIENT by the expiration of this Agreement shall automatically revert to the CITY.

SECTION 3. Except as amended by this Amendment to Agreement, all other terms and conditions in the Subrecipient Agreement between the City of Madera and the Public Works Department shall remain in full force and effect.