

**FEDERAL AMERICAN RESCUE PLAN ACT (ARPA) GRANT – INTERDEPARTMENTAL
MEMORANDUM OF UNDERSTANDING BETWEEN
COMMUNITY AND ECONOMIC DEVELOPMENT DEPARTMENT**

AND

PUBLIC UTILITIES DEPARTMENT

**(Design Services for the Water System Improvements for the Northside Agriculture Innovation
Center)**

THIS INTERDEPARTMENTAL MEMORANDUM OF UNDERSTANDING (“MOU”) is made and entered into this ___ day of ____, 2024 (“Effective Date”), by and between the COMMUNITY AND ECONOMIC DEVELOPMENT DEPARTMENT (“CEDD”) and the PUBLIC UTILITIES DEPARTMENT (“Subrecipient”). Both parties are departments or divisions of the City of Riverside, a California charter city and municipal corporation (“City”). Where provisions of this agreement reference actions of the City without specifying a specific department, the provisions are to be interpreted to mean CEDD unless the context clearly indicates otherwise.

RECITALS

WHEREAS, The American Rescue Plan Act (“ARPA”), Public Law No. 117-2, was signed by President Joseph R. Biden on March 11, 2021, and established the Coronavirus State Fiscal Recovery Fund and Coronavirus Local Fiscal Recovery Fund, which together make up the Coronavirus State and Local Fiscal Recovery Funds (“SLFRF”) program. This program is intended to provide support to State, territorial, local, and Tribal governments in responding to the economic and public health impacts of COVID-19 and in their efforts to contain impacts on their communities, residents, and businesses; and

WHEREAS, the City has been directly allocated Seventy-Three Million Five Hundred Thirty-Five Thousand One Hundred Eighty-Nine Dollars (\$73,535,189) of SLFRF funds; and

WHEREAS, SLFRF funds allocated may only be used for expenditures incurred between March 3, 2021 and December 31, 2024, in response to COVID-19, in guidance from the United States Treasury Department, including the answers to Frequently Asked Questions.

WHEREAS, following a public meeting on February 7, 2023, the City Council of the City has approved the allocation of Four Hundred Forty-Five Thousand Dollars (\$445,000.00) from its 2024-2025 ARPA Grant to fund infrastructure related costs for the Northside Agriculture Innovation Center, including such items as electrical design, water design, and equipment for water and sewer infrastructure (“Program”); and

WHEREAS, as a new development in the area, the Northside Agriculture Innovation Center was conditioned with water system improvements needed to support its water demands and fire flow requirements; and

WHEREAS, the CEDD is overseeing the development of the Northside Agriculture Innovation Center and has requested assistance from the Subrecipient to design the water system improvements; and

WHEREAS, the Subrecipient has submitted its Scope of Services to the CEDD to design the water system improvements for the Northside Agriculture Innovation Center; and

WHEREAS, the CEDD intends to fund the design of the water system improvements from the City's fiscal year 2024-2025 allocation of ARPA funds; and

WHEREAS, the Federal Treasury considers an interagency subrecipient agreement, including an agreement in the form of a Memorandum of Understanding ("MOU") to constitute a "transaction requiring payment", similar to a contract or subaward and therefore an obligation for purposes of the Coronavirus State and Local Fiscal Recovery Funds ("SLFRF") program authorized by the American Rescue Plan Act; and

WHEREAS, the CEDD has agreed to provide SLFRF funds to the Subrecipient in the amount not to exceed Two Hundred Thousand Dollars (\$200,000) ("Grant Funds") for costs associated with the Program, including the design services for water system improvements for the Northside Agriculture Innovation Center, as described in the Scope of Services submitted by Subrecipient; and

WHEREAS, in order to document the City's compliance with ARPA and all other regulations pertaining to the Grant Funds, the CEDD and Subrecipient are entering into this MOU to memorialize the subgrant, the Services to be provided, the Budget, and the responsibilities of the parties relating thereto.

NOW THEREFORE, in consideration of the mutual covenants set forth herein, and the mutual benefits to be derived there from, the City and Subrecipient agree as follows:

1. **SCOPE OF SERVICES.** Subrecipient shall provide design services funded under the 2024-2025 ARPA grant, as more particularly described in Exhibit "A", entitled Scope of Services ("Services"), and Exhibit "B" entitled Budget ("Budget") attached and incorporated by reference, in accordance with this MOU.
2. **TERM.** The term of the MOU shall begin on the Effective Date and shall remain in effect until June 30, 2025, unless otherwise terminated pursuant to the provisions herein. The term of this MOU may be extended for up to three (3) months upon request of the Subrecipient's General Manager, and upon written approval from the City Manager and the CEDD Director.
3. **COMPENSATION/PAYMENT.** Subrecipient shall fully perform the Services to be provided under this MOU for a total sum not to exceed Two Hundred Thousand Dollars (\$200,000.00). Payment shall be made pursuant to the Budget and Section 8 of this MOU.
4. **NOTICES.** Any notices required to be given hereunder shall be in writing and shall be personally served or given by interoffice mail or by email. Any notice given by mail shall be addressed to the party to be served as follows:

Community & Economic
Development Department
Attn: CEDD Director
3900 Main Street, 5th Floor
Riverside, CA 92522

Public Utilities Department
Attn: General Manager
3750 University Avenue, 3rd Floor
Riverside, CA 92501

5. **AVAILABILITY OF FUNDS/AUTHORIZATION.** The City's allocation of funding to Subrecipient pursuant to this MOU is contingent upon the availability to the City of ARPA funds and continued authorization for program activities by the United Treasury and is subject to amendment or termination due to lack of funds or authorization in accordance with Section 8.4 This MOU is subject to written modification or termination as necessary by the City in accordance with requirements of future ARPA amendments, regulations or City policy. In addition, this MOU may be amended or terminated as provided in Sections 7.1 and 7.2 of this MOU.

6. **COMPLIANCE.** By executing this MOU, Subrecipient hereby certifies that it will adhere to and comply with the same obligations to the City that the City has undertaken with the State, including adherence to all federal requirements, pursuant to its application and certifications for any funding related to ARPA, including but not limited to the following, as they may be applicable:

6.1. The ARPA Final Rule and guidelines set forth by the US Department of the Treasury, which is attached hereto as Exhibit "D" and incorporated herein by reference.

6.2. Sections 602 and 603 of the Social Security Act, as added by Section 9901 of ARPA (Subtitle M of Title IX of Public Law 117-2), which amends Title VI of the Social Security Act (42 U.S.C. 801 et seq.)

6.3. Office of Management and Budget (OMB) Circulars, as applicable: OMB Circular A-21 (Cost Principles for Educational Institutions); OMB Circular A-87 (Cost Principles for State, Local, and Indian Tribal Governments); OMB Circular A-102 (Grants and Cooperative MOUs with State and Local Governments); Common Rule, Subpart C for public agencies or OMB Circular A-110 (Uniform Administrative Requirements for Grants and Other MOUs with Institutions of Higher Education, Hospitals and Other NonProfit Organizations); OMB Circular A-122 (Cost Principles for Non-Profit Organizations); OMB Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations).

6.4. Single Audit Act (31 USC Sec. 7501 et seq.), OMB Circular A-133 (as stated above) and any administrative regulation or field memoranda implementing the Act, including related provisions of the Uniform Guidance, 2 C.F.R. § 200.303 regarding internal controls, §§ 200.330 through 200.332 regarding subrecipient monitoring and management, and subpart F regarding audit requirements, and the Catalog of Federal Domestic Assistance (CFDA) 21.019.

6.5. Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and implementing regulations issued at 24 CFR Part 1; Title VIII of the Civil Rights Act of 1968 (P.L. 90-284) as amended; Executive Order 11246, as amended by Executive Orders 11375 and 12086, and implementing regulations at 41 CFR Chapter 60; Executive Order 11063, as amended by Executive Order 12259, and implementing regulations at 24 CFR Part 107.

6.6. Section 504 of the Rehabilitation Act of 1973 (P.L. 93-112), as amended, and implementing regulations.

6.7. The Age Discrimination Act of 1975 (P.L. 94-135), as amended, and implementing regulations.

6.8. The Federal Accounting and Transparency Act of 2006 (P.L. 109-282), as amended by Section 6202(a) of P.L. 110-252.

Subrecipient shall be solely responsible, expressly or impliedly, for determining and effectuating compliance with all applicable federal, state and local public works requirements, prevailing wage laws, labor laws and standards, and the City does not make any representations, either legally or financially, as to the applicability or non-applicability of any federal, state or local laws to the project or any part thereof, either onsite or offsite. Subrecipient expressly, knowingly and voluntarily acknowledges and agrees that the City has not previously represented to Subrecipient or to any representative, agent or affiliate of Subrecipient, or any subcontractor(s) that any work and construction undertaken pursuant to this MOU is or is not subject to Section 1720 of the Labor Code or the Davis Bacon Act (P.L. 71-798).

7. **GENERAL CONDITIONS.**

7.1. **Modification.** This MOU may only be modified by written agreement between the CEDD and Subrecipient.

7.2. **Termination.** In addition to the City's right to terminate pursuant to Section 5 of this MOU, this MOU may be terminated at any time by either party upon giving thirty (30) days' notice in writing to the other party. The terminating Department Director or his/her designee is hereby empowered to give said notice, subject to ratification by the City Council. Further, the City may immediately terminate this MOU upon the termination, suspension, discontinuation or substantial reduction in Grant funding for the MOU activity. Further, and notwithstanding any other provision of this MOU, if Subrecipient materially fails to comply with any term of this MOU, or the award that is subject of this MOU, whether stated in a Federal statute or regulation, an assurance, in a State plan or obligation, a notice of award, or elsewhere, the awarding agency or the City may take any one or more of the following actions, as appropriate in the circumstances:

A. Temporarily withhold cash payments pending correction of the deficiency by the Subrecipient or more severe enforcement action by the awarding agency.

B. Disallow (that is, deny both use of funds and matching credit for) all or part of the cost of the activity or action not in compliance.

C. Wholly or partly suspend or terminate the current award for the City's or Subrecipient's program.

D. Withhold further awards for the program.

E. Take other remedies that may be legally available.

7.3. **Costs Following Termination.** Costs of Subrecipient resulting from obligations incurred by the Subrecipient during a suspension or after termination of this MOU are not allowable unless the City expressly authorizes them in the Notice of Suspension or Termination or subsequently. Other Subrecipient costs during suspension or after termination which are necessary and not reasonably avoidable are allowed if (a) the costs resulted from obligations which were properly incurred by the Subrecipient before the effective date of suspension or termination, are not in anticipation of it, and, in the case of a termination, are noncancellable; and (b) the costs would be allowable if the award were not suspended or expired normally at the end of the funding period in which the termination takes effect.

7.4. **Extensions.** In the event the Grant funds are not fully expended on the termination date, this MOU, and all of its terms and conditions, may be extended upon the written request of Subrecipient to CEDD, setting forth the reasons for such request and upon written consent of the City Manager or a designee, upon a determination that the extension is in the best interest of the City and Subrecipient in performing Services under this MOU. This MOU may be extended for three months at which time this MOU shall automatically terminate unless an additional extension is granted by the City. Extensions shall be requested in writing from the City Manager prior to the termination of the MOU, unless the City Manager, in his/her sole discretion agrees in writing to shorten the time in which an extension may be requested.

8. **ADMINISTRATIVE REQUIREMENTS.**

8.1. **Use of Grant Funds.** Except as otherwise limited by this MOU, Grant funds shall be used exclusively to implement the Program and carry-out the Services. Grant funds shall not be used as security or to guarantee payments for any non-program obligations, nor as loans for non-program activities. All bank accounts for Subrecipient shall be non-interest bearing and Subrecipient agrees that it shall not use Grant funds to pay for entertainment, meals, or gifts.

8.2. **Unused Grant Funds.** Subrecipient acknowledges that unused grant funds, or portions thereof, are subject to a requirement that said funds must be refunded to CEDD.

8.3. **Budget.** Subrecipient hereby certifies and agrees that Grant Funds shall be used exclusively as described in the Budget, attached hereto as Exhibit "B". Any deviation from the attached Budget must be approved by the City, in writing. Subrecipient shall not make expenditures that deviate from the Budget Act or from the guidance given by the United States Treasury Department, including the answers to Frequently Asked Questions.

8.4. **Changes in Grant Allocation.** The City reserves the right to reduce the grant allocation when the City's fiscal monitoring indicates that Subrecipient's rate of expenditure will result in unspent funds at the end of the program year. Changes in the grant allocation will be done after consultation with Subrecipient. Such changes shall be incorporated into this MOU by written amendments.

8.5. **Costs and Method of Payment.**

A. **Expenses.** The Subrecipient will allocate its expenses to a work order maintained by the City Finance Department. Subrecipient will document and charge expenses to the work order as they are incurred. The expenses will be monitored and documented using the City's

financial accounting system. At the City’s discretion and in accordance with SLFRA regulations, said documentation may include, but will not be limited to, cancelled checks, invoices, receipts, payroll logs and employee time sheets.

B. **Reimbursement.** Expenditures will be paid directly to the Subrecipient from the financial account designated by CEDD where the Grant Funds reside. The CEDD shall monitor the expenditures and supporting documentation to ensure the expenses are allowable. The City may require additional information from Subrecipient as may be necessary and appropriate for the City to make its determination as to allowable costs.

8.6. **Program Records.** Subrecipient shall maintain financial, programmatic, statistical and other supporting records of its operations and financial activities, including but not limited to, documentation of all Grant Funds received from the City or other sources to operate the Program, documentation of expenses identified in the Budget, and any other related records as City may require from time to time. Such records shall be retained for a period five (5) years after termination of this MOU or after final disposition of all pending matters. “Pending matters” include, but are not limited to, an audit, litigation or other actions involving records.

8.7. **Quarterly Reports.** Subrecipient shall provide the City with quarterly reports as detailed on Exhibit “E” attached hereto and incorporated herein by reference, as well as any other reports as the City may reasonably require. Such reports shall identify the amount paid from the Grant Funds and the balance of the Grant Funds that Subrecipient has not spent.

8.8. **Performance Monitoring.** The City will monitor the performance of the Subrecipient against goals and performance standards required herein. Substandard performance as determined by the City will constitute non-compliance with this MOU. If action to correct such substandard performance is not taken by the Subrecipient within a reasonable period of time after being notified by the City, contract suspension or termination procedures will be initiated.

8.9. **Recognition of City.** Subrecipient shall ensure recognition of the City in providing funding for the Services provided by this MOU. All advertisements, notifications, publications, signs, brochures, and other promotional or information material shall identify the Program as being funded in part by the City of Riverside’s American Recue Plan Act Allocation for response to COVID-19.

8.10. **Personnel.** Subrecipient shall furnish all personnel necessary to perform the Services and shall be responsible for their performance and compensation. Subrecipient recognizes that the qualifications and experience of the personnel to be used are vital to professional and timely completion of the services. The key personnel, listed in Exhibit “C” attached hereto and incorporated herein by this reference, assigned to perform portions of the Services shall remain assigned through completion of the Services unless otherwise mutually agreed by the parties in writing, or caused by hardship or resignation, in which case substitutes shall be subject to City approval.

9. **MISCELLANEOUS PROVISIONS.**

9.1. **Nondiscrimination.** During Subrecipient’s performance of this MOU, Subrecipient shall not discriminate on the grounds of race, religious creed, color, national origin,

ancestry, age, physical disability, mental disability, medical condition, including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, sex, genetic information, gender, gender identity, gender expression, or sexual orientation, military and veteran status, in the selection and retention of employees and subcontractors and the procurement of materials and equipment, except as provided in Section 12940 of the California Government Code. Further, Subrecipient agrees to conform to the requirements of the Americans with Disabilities Act in the performance of this MOU.

9.2. **Conflict of Interest.** Subrecipient, for itself and on behalf of the individuals listed in Exhibit “C,” represents and warrants that by the execution of this MOU, they have no interest, present or contemplated, in the Project affected by the above-described Services. Subrecipient further warrants that neither Subrecipient, nor the individuals listed in Exhibit “C” have any real property, business interests or income interests that will be affected by this project or, alternatively, that Subrecipient will file with City an affidavit disclosing any such interest.

9.3. **Lobbying.** The Subrecipient certifies to the best of its knowledge and belief, that:

A. No federally 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.

B. If any funds other than federally 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.

C. 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.

10. **Exhibits.** The following exhibits attached hereto are incorporated herein to this MOU by this reference:

- Exhibit “A” – Scope of Services
- Exhibit “B” – Budget
- Exhibit “C” – Key Personnel
- Exhibit “D” – American Rescue Plan Act Final Rule
- Exhibit “E” – Quarterly Reports

[signatures on the following page]

IN WITNESS WHEREOF, City and Subrecipient have caused this MOU to be duly executed the day and year first above written.

CITY OF RIVERSIDE, a California
Charter city and municipal corporation

COMMUNITY AND ECONOMIC
DEVELOPMENT DEPARTMENT

By: _____
City Manager

By: Jennifer A. Lilley
Community and Economic
Development Director

Dated: _____

Attest: _____
City Clerk

PUBLIC UTILITIES DEPARTMENT

Dated: _____

By: D. H. Garcia
General Manager

Certified as to Availability of Funds

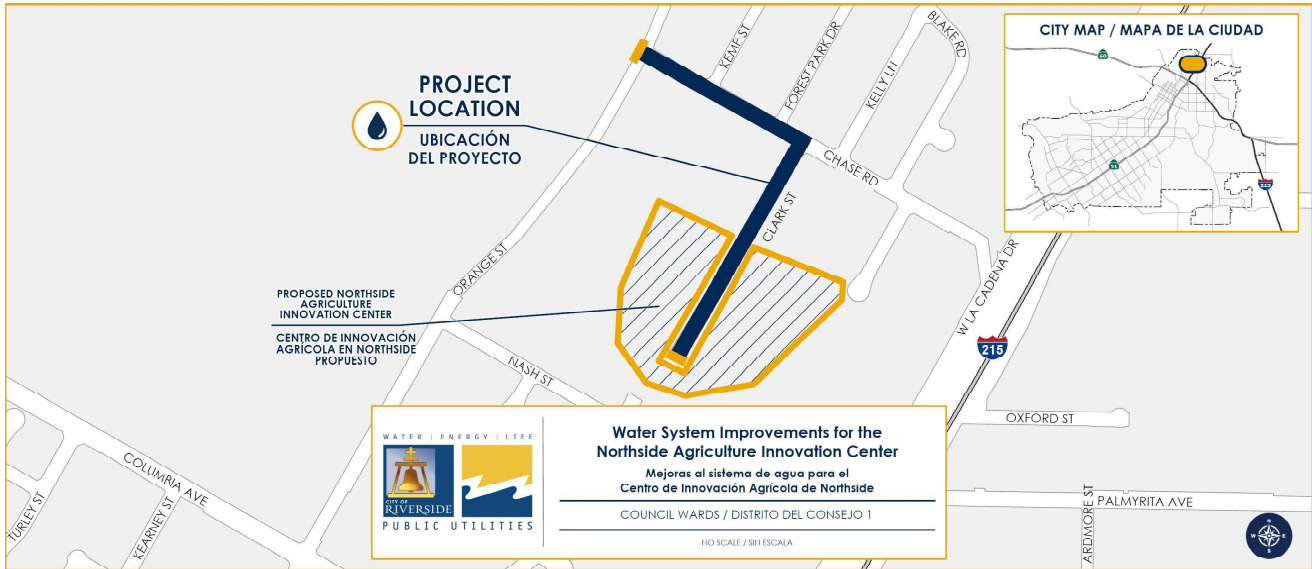
By: [Signature]
Chief Financial Officer

APPROVED AS TO FORM:

By: [Signature]
Ruthann M. Salera
Senior Deputy City Attorney

EXHIBIT “A” SCOPE OF SERVICES

The scope of services include the design of water system improvements for the Northside Agriculture Innovation Center, located at 895 and 900 Clark Street in Riverside, California. The water system improvements generally include 1,800 feet of new 12-inch diameter water pipeline, twenty-seven (27) water services, three (3) fire hydrants, and four (4) system connections, along with all necessary fittings, appurtenances, and related pavement restoration and incidental work. The project is located along Chase Road and Clark Street as shown on the map below.



Completion of the design work is anticipated in February 2025. At the conclusion of construction, RPU will accept ownership of appropriate water system improvements. The parties will obtain any necessary approvals at the time of transfer.

**EXHIBIT “B”
BUDGET**

The budget for the design services may include the following deliverables:

1. Utility Research and mapping
2. Topographic Survey
3. Design of Replacement/Reconnection of existing service laterals
4. System connection design
5. Water Improvement Plans
6. Utility potholing
7. Department of Drinking Water Sewer Separation Waivers
8. Pavement Restoration and Striping Plans
9. Traffic Control and Detour Plans
10. Geotechnical Investigation
11. Pre and Post Sewer Main Videos
12. Obtain approvals and permits
13. Coordination with City Departments
14. Prepare Technical Specifications

Not-to-Exceed Total: \$200,000

**EXHIBIT “C”
KEY PERSONNEL**

The work will be performed by internal staff from various City of Riverside Departments and outside vendors, including but not limited to the following:

1. Public Utilities Department
2. Public Works Department
3. Outside vendors as necessary to augment City of Riverside staff and for specialty services to be procured in accordance with the City of Riverside’s purchasing policies.

EXHIBIT “D”
AMERICAN RESCUE PLAN ACT FINAL RULE

The link to the American Rescue Plan Act Final Rule can be found at <https://home.treasury.gov/system/files/136/SLFRF-Final-Rule.pdf> and may be amended from time to time.

EXHIBIT "E"
QUARTERLY REPORTS

Quarterly Project and Expenditure Report Timeline

Report	Year	Quarter	Period Covered	Internal Due Date	Due Date
1	2021	2 through 4	March 3 - December 31	January 18, 2022	January 31, 2022
2	2022	1	January 1 - March 31	April 14, 2022	April 30, 2022
3	2022	2	April 1 - June 30	July 14, 2022	July 31, 2022
4	2022	3	July 1 - September 30	October 17, 2022	October 31, 2022
5	2022	4	October 1 - December 31	January 17, 2023	January 31, 2023
6	2023	1	January 1 - March 31	April 13, 2023	April 30, 2023
7	2023	2	April 1 - June 30	July 17, 2023	July 31, 2023
8	2023	3	July 1 - September 30	October 17, 2023	October 31, 2023
9	2023	4	October 1 - December 31	January 17, 2024	January 31, 2024
10	2024	1	January 1 - March 31	April 16, 2024	April 30, 2024
11	2024	2	April 1 - June 30	July 17, 2024	July 31, 2024
12	2024	3	July 1 - September 30	October 17, 2024	October 31, 2024
13	2024	4	October 1 - December 31	January 16, 2025	January 31, 2025
14	2025	1	January 1 - March 31	April 16, 2025	April 30, 2025
15	2025	2	April 1 - June 30	July 17, 2025	July 31, 2025
16	2025	3	July 1 - September 30	October 16, 2025	October 31, 2025
17	2025	4	October 1 - December 31	January 15, 2026	January 31, 2026
18	2026	1	January 1 - March 31	April 16, 2026	April 30, 2026
19	2026	2	April 1 - June 30	July 16, 2026	July 31, 2026
20	2026	3	July 1 - September 30	October 15, 2026	October 31, 2026
21	2026	4	October 1 - December 31	March 17, 2027	March 31, 2027

Annual Project and Expenditure Report Timeline

Report	Year	Period Covered	Internal Due Date	Due Date
1	2022	March 3, 2021 - March 31, 2022	April 14, 2022	April 30, 2022
2	2023	April 1, 2022 - March 31, 2023	April 13, 2023	April 30, 2023
3	2024	April 1, 2023 - March 31, 2024	April 16, 2024	April 30, 2024
4	2025	April 1, 2024 - March 31, 2025	April 16, 2025	April 30, 2025
5	2026	April 1, 2025 - March 31, 2026	April 16, 2026	April 30, 2026
6	2027	April 1, 2026 - December 31, 2026	April 16, 2027	April 30, 2027

