

## Community Development Block Grant Program

### CONTRACT AMENDMENT NOTICE

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Contract Number: See table below

Grantee: City of Central Falls

#### TO THE RECIPIENT:

The following amendments are made part of the Contract(s) listed below, subject to such conditions or limitations as may be set forth below. The City will conduct all activities funded under the listed Contract(s) in compliance with all applicable federal and State rules and regulations, including Labor Standards (Davis Bacon Wage Rates), procurement and environmental.

Part II. B. provides that “changes which are mutually agreed upon in writing by and between OHCD and the Contractor shall be made part of the Contract.”

#### CONTRACT(S):

Contract No.	Federal Award Information		
	Program Name/Year	Federal Award ID	Total Federal Award to RI
12/04/32	CDBG PY 2012	B-12-DC-44-0001	\$ 4,584,584
12/04/33	CDBG PY 2013	B-13-DC-44-0001	\$ 4,922,042

NATURE OF AMENDMENT: Special Conditions Compliance

#### AMENDMENT:

The above cited Contracts shall be governed by 2 CFR part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Requirements), as amended from time to time.

The following OMB Circulars have been superseded, consolidated, and streamlined by 2 CFR part 200: A-21, A-87, A-89, A-102, A-110, A-122, and A-133. HUD has adopted the Uniform Requirements and revised 24 CFR parts 84 and 85 to remove all substantive provisions. The language “2 CFR part 200” shall replace all references to the above referenced Circulars and 24 CFR parts 84 and 85.

**The below clauses in the Contract are hereby amended and replaced in their entirety with the following:**

***Conflict of Interest***

No elected or appointed State or municipal official (officer or member) shall, while serving as such, have any financial interest, direct or indirect, or engage in any business employment transaction or professional activity or incur any obligation of any nature which is in substantial conflict with the proper discharge of his/her duties or employment in the public interest and of his/her responsibilities as prescribed in Title 36, Chapter 4, of the General Laws of Rhode Island. No member of, or Delegate to, the Congress of the United States of America shall be admitted to any share or part thereof or to any benefit that may arise herefrom.

The Contractor agrees to fully comply with CDBG Conflict of Interest provisions outlined at 24 CFR Part 570.489(h) "Conflict of Interest," and related federal provisions at 2 CFR 200.112 "Conflict of Interest" and 2 CFR 200.318(c) "Standards of Conduct," as stated below. Conflict of Interest requirements must be extended to all sub-recipients under this agreement.

Any requests for "exception" from this requirement, in accordance with the regulations, must be submitted in writing by the Contractor to OHCD prior to the obligation of funds. As indicated, this regulation applies to the Contractor as well as sub-recipient entities funded.

- 24 CFR 570.489 - In general, no person (who is an employee, agent, consultant, official or elected/appointed official of the State, unit of general local government or of any designed public agencies or sub-recipients which are receiving CDBG funds) who exercise or have exercised any function or responsibilities with respect to CDBG activities assisted under this subpart or who are in a position to participate in a decision making process or gain inside information with regard to such activities may obtain a financial interest or benefit from the activity, or have any interest or benefit from the activity or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or one year thereafter.
- 2 CFR 200.112 – The non-Federal entity must disclose in writing any potential conflict of interest to the... pass-through entity [OHCD] in accordance with applicable Federal awarding agency policy.
- 2 CFR 200.318(c)(1) –The non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award and administration of contracts. No employee, officer, or agent must participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract...

### ***Competitive & Cost Reasonable Procurement*** (formerly *Competitive Bids*)

All procurement must be conducted in a manner to promote open and free competition. The Contractor agrees to comply with procurement standards set forth in 2 CFR 200.318 - 200.326. Evidence of competitive bids and/or cost reasonableness (defined at 2 CFR 200.404) in procurement must be retained in accordance with Section L, Records Retention. The Contractor must observe state and local procurement requirements and cost thresholds for competitive bidding if these are more restrictive than the federal regulation specifies.

Subrecipients shall generally comply with federal, State and local procurement regulations, documenting cost reasonableness as necessary. To ensure compliance with program requirements, the Contractor must consult with OHCD if it plans to enforce alternative procurement policies with sub-recipients.

### ***Audits***

The Contractor shall perform an annual audit in accordance with 2 CFR 200.501 "Audit Requirements" and with "Government Auditing Standards" as published by the Comptroller General of the United States. The Contractor shall submit annual audits for all fiscal years in which these grant funds were expended to 1) the Federal Audit Clearinghouse, 2) the Rhode Island Division of Municipal Finance, and 3) OHCD.

If the Contractor falls below the 2 CFR 200.501 threshold in federal expenditures, it shall notify OHCD in writing on certification form 133-OHCD of the total amount of federal expenditures for the audit period.

### **The following clauses are hereby added to the Contract:**

The Contractor is advised to act in conformance with 2 CFR 200, Subpart E – Cost Principles.

The contractor certifies it will comply with the regulations, policies, guidelines and requirements of 2 CFR 200, which specify financial/cost management principles.

1. The Contractor must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency, if this contract meets the definition of "funding agreement" under 37 CFR §401.2 (a) for the performance of experimental, developmental, or research work.
2. It will comply with the Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued

pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

3. It will comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act (applies to any non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors only). The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

**Completed Activities and Procurement Actions:**

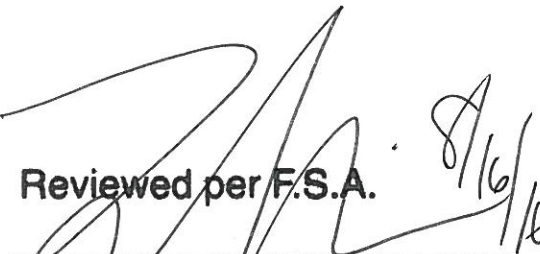
Any activities and procurement actions completed by the Contractor and/or its sub-recipients prior to December 26, 2014, will continue to be governed by the 2013 edition of 24 CFR part 84 or 85, unless supplemental funds have been awarded.

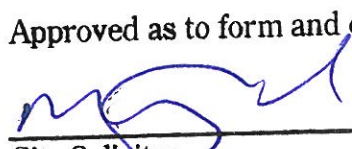
By: \_\_\_\_\_  
Michael Tondra  
Chief

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

By:  \_\_\_\_\_  
Authorized Official  
Contractor

Date: 8.25.16

  
**Reviewed per F.S.A.**  
Leonard Morganis  
Administration & Finance Officer

Approved as to form and correctness  
  
City Solicitor