

A CONTRACT
BETWEEN
CITY OF LAREDO and BETHANY HOUSE OF LAREDO

The CONTRACT is made between the CITY OF LAREDO, TEXAS, a municipal corporation, (hereinafter called “City”) and Bethany House of Laredo, Inc, a non-profit organization (hereinafter called “Bethany House”) for Public Service in the provision of emergency shelter operations with Community Development Block Grant (CDBG) funds.

TERMS AND CONDITIONS

1. City agrees to do the following:

- A. Pay a total of four hundred and forty thousand dollars (\$400,000.00) from the 51st Action Year Community Development Block Grant (CDBG) Program funds for shelter operations in order to accommodate the homeless population of the community.
- B. Pay for homeless persons services provided on a reimbursement basis with a written request for payment to be submitted on a monthly basis. Such written request for payment shall include (1) a statement describing the services rendered (2) the amount being requested, and (3) shall have attached thereto any supporting documents, such as invoices, receipts, cancelled checks, and so forth.
- C. Monitor the expenditure of funds to insure compliance with 2 CFR Part 200, as amended and other regulations, as applicable.

2. Bethany House agrees to do the following:

A. SCOPE OF SERVICES

Utilize CDBG funds exclusively for costs associated to pay for labor, supplies, and material as well as to operate and/or maintain the portion of a facility in which the public service is located as set forth in 24 CFR Part 570.201(e), as amended and other regulations, as applicable. Bethany House shall provide those services described and set out in the scope of services which is attached here to as **Exhibit A** and made a part of this contract as if incorporated herein.

All payment requests by Bethany House shall be submitted for review and approval by City for payment. Request for payments must include the following: cover letter, **Exhibit B** (Request for Reimbursement and Detailed Expense Report), invoices, receipts, timecards, timesheets, check stub, cleared checks (for all expenses requested), bank statements, and any other documents requested by the City.

B. DATA COLLECTION AND EVALUATION

- 1. Evaluation- Bethany House must comply if asked to participate in HUD sponsored research and evaluation of CDBG funds.

C. BUDGET

Bethany House will adhere to the budget for its homeless assistance program as per *Exhibit C*. Changes to the total amount awarded to each component will require a contract amendment. Any increase or decrease to the estimated line item will not require amendment while the budget amount stays the same.

D. RECORDING KEEPING

Comply with the recordkeeping requirements under 24 CFR §570.506, including maintaining and making records available as necessary for a period of five (5) years after the expenditure of all funds from the grant under which the program participant was served to include (but not limited to):

1. Completed Homeless Eligibility Forms for each client through the approved coordinated entry process.
2. An accurate record of expenses supported by invoices and billing statements.
3. Shall comply with the conflict of interest requirements set forth in 2 CFR §200.318(c)(1) and all applicable federal, state, and local laws. .
4. Confidentially- to protect the safety and privacy of all program participants the agency will be required to develop written procedures to ensure the security and confidentiality of all records containing personally identifying information of any individual or family who applies for and/or receives assistance.
5. Property records for assets acquired with grant funds and safeguards for preventing loss, damage or theft of recipient held property.
6. Provide a copy of Bethany House annual internal audit report within 60 days after its completion.
7. Provide all information required for the City's Consolidated Annual Performance Evaluation Report derive from the Sage System no later than October 15th of each year.

E. TERM

This contract is for a term beginning on January 21, 2026 and ending on June 30, 2026. These funds are for the urgent activities and costs CDBG sub-recipients have undertaken, the City is authorized to reimburse costs incurred. Funds shall be expended only during the term of this contract, funds not expended will not rollover for the following period.

F. HABITABILITY STANDARDS

Bethany House shall maintain the facility in compliance with applicable local health, safety, and sanitation codes and standards, and in accordance with 24 CFR Part 570.

G. HOMELESS PARTICIPATION

Meet the requirement of having at least one homeless person or formerly homeless person participating in the policy decision making process regarding projects receiving these funds.

Attend and/or participate in community homeless efforts, such as, but not limited to:

1. Laredo Homeless Coalition Meetings
2. Coordinated Entry Meetings
3. Homeless Veterans Mater List Meeting

H. ANTI-DISCRIMINATION

Bethany House must comply with application fair housing and civil rights requirements in 24 CFR 5.109. In addition, agency must make known that assistance and services are available to all on a nondiscriminatory basis and ensure that citizens have equal access to information about CDBG and equal access to the assistance and service provided under this program. Bethany House will not discriminate against applicants for employment or applicants for housing or other services on the basis of national origin, race, religion, color, sex, age, familial status, disability, veteran status, sexual orientation, gender identity, or marital status.

I. UNIFORM ADMINISTRATIVE REQUIREMENTS

Bethany House shall be subject to the requirements of 2 CFR Part 200- Uniform administrative requirements for grants and agreements.

J. DRUG-FREE WORKPLACE

Bethany House shall comply with the Drug-Free Workplace Act of 1988 (41 U.S.C. §§701–707), and the implementing regulations at 2 CFR Part 182 and 2 CFR Part 2424.

K. PROCUREMENT OF RECOVERED MATERIALS

Bethany House must comply with the requirements of Section 6002 of the Solid Waste Disposal Act. In accordance, with Section 6002, Agency must procure 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 in the preceding fiscal year exceeded \$10,000.

L. TERMINATION

In the event Bethany House fails to provide services in accordance with the provisions of this contract, CITY may upon written notice of default to terminate in whole or in part this contract, and such termination shall not be an exclusive remedy, but shall be in addition to any other rights and remedies provided by law or under this contract.

M. INSURANCE

Bethany House shall maintain such insurance as will protect it from any and all claims under the Worker's Compensation Laws of the State of Texas. Bethany House shall maintain such insurance as will protect it from claims for damages because of bodily injury including death and from claims for damage to property which may arise out of and during the conduct of Bethany House's business, services, and activities. To this end, Bethany House shall have and keep in effect during the term of this contract, public liability and property damage insurance in the amount of not less than **\$1,000,000.00** copies of such certificates of insurance as reflect the about required coverage shall be made a part of this contract as ***Exhibit D***. Any failure of Bethany House to maintain the specified insurance coverage's during the term of this contract shall mean automatic termination of the contract.

N. INDEMNIFICATION

BETHANY HOUSE SHALL INDEMNIFY, DEFEND, SAVE AND HOLD HARMLESS THE CITY AND ITS OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ALL CAUSES OF ACTION, FINES, JUDGMENTS, LOSSES, CLAIMS, DAMAGES, LIABILITIES, COSTS AND EXPENSES, INCLUDING REASONABLE ATTORNEYS' FEES AND EXPENSES, JOINT OR SEVERAL, WHETHER THEY BE FOR PERSONAL INJURY OR PROPERTY DAMAGE OR ANY OTHER TYPE OF CLAIM, WHICH MAY BE ASSERTED AGAINST ANY OF THEM ARISING OUT OF OR RELATED TO (I) ANY ACTION BY BETHANY HOUSE OR ITS AGENTS IN THE CARRYING OUT OF THE SERVICES DURING THE TERM OF THIS AGREEMENT; (II) THE NEGLIGENCE OR WILLFUL OR WANTON MISCONDUCT OF BETHANY HOUSE OR ITS AGENTS; (III) ANY VIOLATION OF ANY REQUIREMENT APPLICABLE TO BETHANY HOUSE OR ITS AGENTS UNDER ANY FEDERAL, STATE, OR LOCAL LAW OR REGULATION, (IV) THE FAILURE OF BETHANY HOUSE TO PERFORM SPECIFIED DUTIES UNDER THIS AGREEMENT, OR (V) THE BREACH OF THIS AGREEMENT BY BETHANY HOUSE, EXCEPT IN EACH CASE TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL OR WANTON MISCONDUCT OF THE CITY. OBLIGATIONS UNDER THIS SECTION SHALL NOT BE LIMITED TO THE LIMITS OF COVERAGE OF INSURANCE MAINTAINED OR REQUIRED TO BE MAINTAINED BY BETHANY HOUSE UNDER THIS AGREEMENT AND WILL NOT BE LIMITED BY COMPARATIVE NEGLIGENCE STATUTES. THIS SECTION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

O. ENTIRE AGREEMENT REPRESENTED

This contract and its exhibits represent the entire agreement of the parties. This contract may not be changed except by written agreement approved by the City Council and duly by all of the parties hereto.

P. MULTIPLE COUNTERPARTS

This contract may be executed in several counterparts each of which shall be deemed an original and all of which when taken together shall constitute by one and the same contract.

Q. NOTICE

Any and all notices or other communications required or permitted to be given pursuant to this contract shall be in writing and shall be considered as properly given if mailed by certified, return receipt requested mail, postage prepaid and addressed as follows:

Carl Barto
President
Bethany House of Laredo
817 Hidalgo St.
Laredo, TX 78040

Joseph W. Neeb
City Manager
City of Laredo
P.O. Box 579
Laredo, TX 78040

R. PARTIES BOUND

This contract shall be binding upon and inure to the benefit of the parties hereto, their respective heirs, executors, administrators, legal representatives, successors and assigns.

S. REPRESENTATIONS

No representations, promise, guarantees or warranties were made to induce the other party to execute this contract, or made in connection therewith, which are not expressly stated in the body of this contract.

T. SEVERABILITY

If any provision of this contract shall for any reason be held to violate of any applicable law, governmental rule or regulation or if said contract is held to be unenforceable or unconscionable, then the invalidity of such specific provisions herein shall not be held to invalidate the remaining provisions of this contract. Such other provisions and the entirety of this contract shall remain in full force and effect unless the removal of said invalid provision destroys the legitimate purpose of this contract, in which event this contract shall be null and void.

U. STATE LAW APPLICABLE TO CONTRACT

This contract shall be subject to and governed under the laws of the State of Texas.

Any and all obligations and payments are due in performance and payable in Laredo, Webb County, Texas.

i. Complete Understanding:

By execution and acceptance of this contract, the parties hereto acknowledge they have read the same and understand each provision, term and obligation contained in this contract. This contract although drawn by one party shall be construed fairly and reasonably and not more strictly against the drafting party than the non-drafting party.

ii. Acceptance:

This contract shall not be binding until it is executed by both parties to this contract.

iii. Date and Effectiveness:

This contract shall become effective upon execution whereupon the parties' obligations contained hereinabove shall be conclusive and binding upon all or the parties hereto and this contract shall no longer be considered executory.

iv. Signatory clause:

This contract is signed, accepted and agreed to by the City and Bethany House by and through the parties or the parties' agents or authorized representatives and the same hereby acknowledge that they have read and understand this contract and the attachments and/or exhibits hereto and that all parties execute this legal document voluntarily and of their own free will.

V. OTHER FEDERAL CLAUSES

A. Debarment:

The Bethany House shall not enter into any subcontract with any Bethany House who has been debarred, suspended, declared ineligible, or voluntarily excluded from the participation in contacting programs by any agency of the United States Government or the State of Texas. The Bethany House is fully responsible for the acts and omissions of the Bethany House, and of persons either directly or indirectly employed by them. The Bethany House shall inform the City of all Bethany House to be hired by the Bethany House prior to the initiation of work in this project.

A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide Excluded Parties List System in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR Part 1986 Comp., p. 189) and 12689 (3 CFR Part 1989 Comp., p. 235), “Debarment and Suspension.” The Excluded Parties List System in SAM contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

B. Labor Standards:

The Bethany House agrees to comply with the requirements set by the U.S. Dept. of Housing and Urban Development in regard to 1.) labor standard provisions, including the Davis Bacon prevailing wage requirements, the Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708) providing for overtime pay and requiring working surroundings to not be unsanitary, hazardous or dangerous, the Copeland Act providing for the submittal of payroll reports, and permissible deductions, as well as the Fair Labor Standards Act; 2.) employment and contracting requirements including Section 3 compliance, and the Copeland Anti-Kickback Act (40 U.S.C. 3145), and 3.) equal opportunity and anti-discrimination requirements.

C. Equal Employment Opportunity:

During the performance of this contract, the Bethany House agrees as follows:

- (1) The Bethany House will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Bethany House will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Bethany House agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

- (2) The Bethany House will, in all solicitations or advertisements for employees placed by or on behalf of the Bethany House, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, or national origin.
- (3) The Bethany House will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Bethany House's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (4) The Bethany House will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (5) The Bethany House will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (6) In the event of the Bethany House's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the Bethany House may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- (7) The Bethany House will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each Bethany House or vendor. The Bethany House will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event a Bethany House becomes involved in, or is threatened with, litigation with a Bethany House or vendor as a result of such direction by the administering agency the Bethany House may request the United States to enter into such litigation to protect the interests of the United States. The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work:

Provided, that if the applicant so participating is a state or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract. The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of Bethany Houses and Bethany Houses with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance. The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a Bethany House debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon Bethany House by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

Subcontracts. Each nonexempt prime Bethany House or Bethany House shall include the equal opportunity clause in each of its nonexempt subcontracts.

D. Rights to Inventions Made Under a Contract or Agreement:

If the Federal award meets the definition of "funding agreement" under 37 CFR § 401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401.

E. Clean Air Act and the Federal Water Pollution Control Act, as amended:

Contracts and subgrants of amounts in excess of \$150,000 must 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).

F. *Energy Efficiency:*

Bethany House must abide by the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6201).

G. *Byrd Anti-Lobbying Amendment (31U.S.C. 1352:*

Bethany House that apply or bid for an award of \$100,000 or more must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award.

H. *VIOLENCE AGAINST WOMEN ACT (VAWA):*

Bethany House must meet with the requirements of VAWA which is a federal law that, in part, provides housing protections for people applying for or living in units subsidized by the federal government and who have experienced domestic violence, dating violence, sexual assault, or stalking, to help keep them safe and reduce their likelihood of experiencing homelessness. Bethany House shall comply with the Violence Against Women Act (VAWA), as amended, codified at 34 U.S.C. §12491 et seq., and HUD regulations at 24 CFR Part 5, Subpart L.

I. *Procurement of Recovered Materials:*

The Bethany House must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247.

J. *Record Retention and Reports:*

The Bethany House is responsible for maintaining and making records available as necessary for a period of **five years after the completion of the project**. Records include, but are not limited to (1) the project's contract and its amendments (if any), (2) an accurate record of expenses supported by request for payments/invoices, (3) payroll documentation for Bethany House (if any), (4) any other report/record related to this project.

K. *Program Income:*

Not applicable to this contract.

L. *Reversion of assets:*

The use and disposition of real property and equipment under this contract shall comply and are subject to the requirements of 24 CFR Part 570 and 2 CFR Part

200. Agreement shall specify that upon its expiration the subrecipient shall transfer to the recipient any CDBG funds on hand at the time of expiration and any accounts receivable attributable to the use of CDBG funds.

M. *Other Program Requirements:*

The Bethany House will carry out its activities in compliance with the requirements of Subpart K of 24 CFR 570, except, however, that the Bethany House does not assume the grantee's environmental responsibilities or the responsibility for initiating the environmental review process under 24 CFR Part 52.

N. *Conditions prohibiting inherently religious activities:*

If applicable, the Bethany House will comply with HUD rules prohibiting the use of CDBG funds for inherently religious activities as stated in 24 CFR 570.200(j).

W.

SECTION 3 (24 CFR PART 75)

- A. This contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. §1701u), and the implementing regulations at 24 CFR Part 75.
- B. The purpose of Section 3 is to ensure that, to the greatest extent feasible, economic opportunities generated by HUD financial assistance shall be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to businesses that provide economic opportunities to low- and very low-income persons.
- C. Bethany House agrees to comply with the requirements of 24 CFR Part 75 and certifies that it is not under any contractual or regulatory impediment that would prevent compliance with Section 3 requirements.
- D. Bethany House shall make best efforts to provide employment, training, and contracting opportunities generated by CDBG-assisted activities to Section 3 workers and Section 3 business concerns, as defined in 24 CFR §75.5, to the greatest extent feasible.
- E. Bethany House shall include this Section 3 clause in all subcontracts and lower-tier agreements, as applicable, and shall take appropriate action to ensure compliance with Section 3 requirements.
- F. Bethany House certifies that any vacant employment or training positions that are filled after selection but prior to execution of this contract were not filled for the purpose of circumventing the requirements of Section 3, as implemented at 24 CFR Part 75. Bethany House further certifies that it has made best efforts to direct employment and training opportunities generated by this contract to Section 3 workers, as defined in 24 CFR §75.5.
- G. Failure to comply with Section 3 requirements may result in sanctions, termination of this contract for default, and/or other remedies available under federal law and this agreement.

Executed in triplicated originals, this _____ day of _____, 2026.

ATTEST:

Mario Maldonado Jr.
City Secretary

APPROVED AS TO FORM:

Doanh “Zone” T. Nguyen
City Attorney

BETHANY HOUSE OF LAREDO:

Carl Barto
President

CITY OF LAREDO:

Joseph W. Neeb
City Manager