

A CONTRACT  
BETWEEN  
CITY OF LAREDO and BETHANY HOUSE OF LAREDO, INC.

This CONTRACT is made between the CITY OF LAREDO, TEXAS, a municipal corporation, acting by and through its City Manager (hereinafter referred to as "City"), and **BETHANY HOUSE OF LAREDO, INC**, a non-profit organization, acting by and through its President, (hereinafter referred to as "Subrecipient"). The parties bind themselves to the mutual obligations of the contract, and to the performance and accomplishment of the tasks described in the contract.

**Section 1: SCOPE OF SERVICES**

The Subrecipient shall utilize local General Funds exclusively for the rehabilitation and/or operations of the Homeless Shelter Expansion Project as described in the project proposal **Exhibit 1** and made a part of this contract as if incorporated herein.

**Section 2: PERFORMANCE STANDARDS**

Subrecipient agrees to rehabilitate and complete the Homeless Shelter Expansion Project within one (1) year from the date of this contract. All improvements included in Exhibit 1 must be fully operational upon the completion of the rehabilitation.

**Section 3: TERM**

This contract is for a term of six months beginning on October 1, 2024, and ending on September 30, 2025.

**Section 4: CONSIDERATION**

Subject to compliance with the terms of this contract, the City agrees to pay not more than **\$500,000.00** for the rehabilitation and/or shelter operations of the Homeless Shelter Expansion Project incurred by the Subrecipient during the term of this contract.

Funds must be expended during the term of this contract. Any funds not utilized or expensed will not be reimbursed or rollover for the following period.

**Section 5: METHOD OF PAYMENT**

The City will pay the Subrecipient funds available under this Contract based upon information submitted by the Subrecipient and consistent with the approved budget and the City's policy concerning payments. City will make payments for eligible expenses actually incurred by the Subrecipient under this Contract and as specified in Exhibit 1.

The City agrees to pay the subrecipient in accordance with either of the following schedules:

1. Payment in full upon satisfactory completion of the entire work.

**or**

2. Progress payments and a final payment. Progress payments are based on the completion of acceptable work, proper installation of materials, and/or operational expenses. A progress payment shall not be for less than five percent (5%) of the contract cost. Final payment will be made upon satisfactory completion of all rehabilitation work and operational expenses on of all items as described in the project proposal **Exhibit 1**, and conditions incorporated into this Contract.

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Request for payments must include the following documentation: cover letter, request for reimbursement and detailed expense report (**Exhibit 2**), invoices, receipts, timecards and timesheets, check stubs, cleared checks (for all expenses requested), bank statements, and any other documents as requested by the City. Subrecipient is responsible to review the contractors request for payments and must ensure that the amount requested is consistent with actual work performed.

**Section 6: CONFLICT OF INTEREST**

No officer or employee of the City and no member of the City governing body and no employee of the subrecipient and no member of the subrecipient 's governing board and no person who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of this contract shall participate in any decision relating to this contract which affects his personal pecuniary interest. Subrecipient covenants that it presently has no interest and shall not acquire any interest, either direct or indirect, which would conflict in any manner or degree with the provisions of this contract.

**Section 7: INDEMNIFICATION**

**SUBRECIPIENT SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS THE CITY AND ITS OFFICIALS, EMPLOYEES AND AGENTS (COLLECTIVELY REFERRED TO AS "INDEMNITEES") FROM AND AGAINST ALL LOST, COSTS, PENALTIES, FINES, DAMAGES, CLAIMS, EXPENSES (INCLUDING REASONABLE ATTORNEY'S FEES) OR LIABILITIES (COLLECTIVELY REFERRED TO AS "LIABILITIES") BY REASON OF ANY INJURY TO OR DEATH OF ANY PERSON OR DAMAGE OR DESTRUCTION OR LOSS OF ANY PROPERTY ARISING OUT OF, RESULTING FROM, OR IN CONNECTION WITH: (1) THE PERFORMANCE OR NON-PERFORMANCE OF SERVICES CONTEMPLATED BY THIS CONTRACT BUT ONLY TO THE EXTENT CAUSED BY THE NEGLIGENT ACTS, ERRORS, OMISSIONS, INTENTIONAL TORTS, OR A FAILURE TO PAY A SUBCONTRACTOR OR SUPPLIER COMMITTED BY SUBRECIPIENT OR SUBRECIPIENTS' AGENT, CONSULTANT UNDER CONTRACT, OR ANOTHER ENTITY OVER WHICH SUBRECIPIENT EXERCISES CONTROL, OR ITS EMPLOYEES, AGENTS, OR SUBCONTRACTORS (COLLECTIVELY REFERRED TO AS "CONTRACTORS") AND/OR (2) THE FAILURE OF SUBRECIPIENT TO COMPLY WITH ANY OF THE PARAGRAPHS OR PROVISIONS OF THIS CONTRACT OR CONTRACT DOCUMENTS, OR THE FAILURE OF SUBRECIPIENT TO CONFORM SERVICES OR WORK TO STATUTES, ORDINANCES, OR OTHER REGULATIONS OR REQUIREMENTS OF ANY GOVERNMENTAL AUTHORITY, FEDERAL, STATE, OR LOCAL, IN CONNECTION WITH THE PERFORMANCE OF THIS CONTRACT. SUBRECIPIENT EXPRESSLY AGREES TO INDEMNIFY AND HOLD HARMLESS THE INDEMNITEES, OR ANY OF THEM, FROM AND AGAINST ALL LIABILITIES WHICH MAY BE ASSERTED BY AN EMPLOYEE OR FORMER EMPLOYEE OF SUBRECIPIENT, OR ANY OF ITS SUBCONTRACTORS, AS PROVIDED ABOVE, FOR WHICH SUBRECIPIENTS' LIABILITY TO SUCH EMPLOYEE OR FORMER EMPLOYEE WOULD OTHERWISE BE LIMITED TO PAYMENTS UNDER STATE WORKERS' COMPENSATION OR SIMILAR LAWS. NOTHING HEREIN SHALL REQUIRE SUBRECIPIENT TO INDEMNIFY, DEFEND, OR HOLD HARMLESS ANY INDEMNITEE FOR THE INDEMNITEE'S OWN GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. ANY AND ALL DISCHARGE OF ALL OTHER OBLIGATIONS OWED BY THE PARTIES TO EACH OTHER HEREUNDER AND SHALL APPLY PROSPECTIVELY NOT ONLY DURING THE TERM OF THIS CONTRACT BUT THEREAFTER SO LONG AS ANY LIABILITY COULD BE ASSERTED IN REGARD TO ANY ACTS OR OMISSIONS OF CONTRACT IN PERFORMING SERVICES UNDER THIS CONTRACT.**

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**Section 8: INSURANCE**

The Subrecipient shall maintain such insurance as will protect it from any and all claims under the Worker's Compensation Laws of the State of Texas. The Subrecipient shall maintain such insurance as will protect the Subrecipient 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 the Subrecipient 's business, services, and activities. To this end, the Subrecipient 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 above required coverage shall be made a part of this contract as **Exhibit 3**. Any failure of the Subrecipient to maintain the specified insurance coverage's during the term of this contract shall mean automatic termination of the contract. Failure to utilize the money in such manner shall require immediate reimbursement and potential disqualification from future awards.

**Section 9: PURCHASING POLICIES**

The Subrecipient agrees to purchase needed goods and services in a competitive manner by using procedures for purchases that are equal to or better than the purchasing procedures used by the City. A copy of the Subrecipient 's purchasing policies and procedures is attached as **Exhibit 4**.

**Section 10: EQUAL OPPORTUNITY**

- A. Non-Discrimination. The Subrecipient agrees that no person shall be excluded from or denied the benefits or be subjected to discrimination under any program or activity of the Subrecipient, on the grounds of race, religion, national origin, color, sex, physical handicap, political affiliation, age, or familial status.
- B. Nonsegregated Facilities. The Subrecipient certifies that all employee facilities under its control are provided in a manner that segregation, whether by habit, local custom, or otherwise, and whether on the basis of race, religion, color, handicap, age, sex, national origin, political affiliation, or familial status, cannot occur. Further, the Subrecipient certifies that it will not assign or permit employees to perform services at any location under its control where facilities are segregated.
- C. Employment. The Subrecipient will not discriminate against any employee or applicant for employment because of race, religion, color, handicap, age, sex, national origin, political affiliation, or familial status, and will take affirmative action to ensure that applicants are employed and that employees are treated during employment, without regard to any of the same factors. Moreover, the Subrecipient will state in all solicitations or advertisements for employees that all qualified applicants will receive consideration for employment without regard to the factors listed above.

**Section 11: COMPLIANCE WITH LAW**

The subrecipient shall comply with all applicable State and Federal Laws, the ordinances of the City of Laredo, and will obtain and pay for all necessary permits, licenses, and any copyright fees.

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**Section 12: FUNDS ACCOUNTABILITY**

The subrecipient will account for expenditures under this contract in such a way that subrecipient income and expenses can be readily identified and audited and can be easily separated from other financial activities of the subrecipient. Any expenditures of the subrecipient which are allocated to this contract shall be distributed based on the requirements and activities of the Subrecipient. The subrecipient will carry out the project proposal in **Exhibit 1** in accordance with the detailed estimated budget per line item attached hereto as **Exhibit 5**. Any adjustments to the annual budget as submitted shall be approved by the Subrecipient's Executive Board. Copies of such adjustments, as approved, shall be submitted to the City in writing within (15) calendar days of such approval to review and implement requested changes, if approved.

**Section 13: REPORTING REQUIREMENTS**

The Subrecipient shall provide a written progress report with every request for reimbursement to ensure project progress is within the timeline as identified in the project proposal **Exhibit 1**. Such reports will include accomplishments and a financial report showing in reasonable detail of how funds have been expended, and for what purposes, and the beneficial results thereof.

**Section 14: CONTRACT REQUIERMENTS**

The subrecipient shall submit list of subcontractors (to clear from debarment), building permits, subcontractors contracts, weekly certified payroll for all subcontractor during the term of this contract, and any other document as deemed necessary by the City. The subrecipient shall only utilize funds awarded in this contract to pay for the Homeless Shelter Expansion Project Rehabilitation and/or shelter operations, which includes: payroll, staff in-house training, utilities, and to purchase equipment necessary to operate such shelter.

**Section 15: RIGHT OF TERMINATION**

The City Council may terminate this contract at any time, upon thirty (30) calendar days written notice to the Subrecipient. Upon termination of agreement and unused budget amount will be unobligated from this contract.

**Section 16: CONTRACT NOT ASSIGNABLE**

The Subrecipient shall not assign this contract or any part of it nor shall it delegate the performance of any of the duties required by this contract.

**Section 17: AUDIT AND INSPECTION OF RECORDS**

The Subrecipient agrees to provide access to an authorized representative(s) of the City to the files and records of the Subrecipient. All financial records shall be maintained in accordance with generally accepted accounting principles (GAAP). All files and records shall be clearly identified and readily accessible during reasonable working hours. The Subrecipient further agrees to retain the records for five (5) years and (90) calendar days after the conclusion of this contract or after final payment under this contract, whichever is later.

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**Section 18: LIMITATION ON FUNDING**

The City Council reserves the right to reduce the consideration under this contract at any time. Any additional request for City support is subject to adhere to a fee schedule cost to the Subrecipient.

**Section 19: STATUTORY COMPLIANCE**

The work program and the budget have been determined utilizing the provisions of the governing state law authorizing the appropriate use of City monies. It is these statutory guidelines and limitations, which govern the work program under this contract. The Subrecipient shall be responsible for ensuring that any and all expenditures are in compliance with this contract.

**Section 20: CONTRACT AMENDMENT**

Any amendment to this contract must be in writing and be signed by both parties. Any increase or decrease to the estimated approved line items will not require an amendment while the budget amount stays the same but the agency must inform the department via e-mail or letter of the proposed change. A change in the approved scope of services or an increase to the approved budget will require a contract amendment and approval by City Council.

**Section 21: CONTRACT DEFAULT**

If the Subrecipient shall default in the performance of any of the terms or conditions of this agreement, it shall have thirty (30) calendar days after receiving written notice to cure such default. If the Subrecipient fails to cure its default within such period of time, then City shall have the right to terminate this agreement. If this agreement is terminated, the City will not be responsible for obligations incurred by the Subrecipient after the Subrecipient receives written notice of termination or unless there was an eligible encumbrance or other legally binding obligation which existed prior to receipt of a written notice of termination. Should the Subrecipient not adhere to any of the requirements in the signed contract the monies allocated to the Subrecipient shall be reduced for the following year by 10%.

**Section 22: DISPARAGEMENT**

Each of the Parties covenants and agrees that during the term of this Agreement, and/or for one year after the termination hereof, none of its respective officers, employees, or directors shall in any way defame, slander, or publicly criticize, disparage, or make any negative statement, whether orally or in writing, about the other Party or such other Parties' officers, employees, directors or business practices.

**Section 23. LABOR STANDARDS**

All laborers and mechanics employed in the construction for the project assisted under this contract shall be paid wages at rates not less than the appropriate rate as determined by the Secretary of Labor in accordance with the Davis-bacon Act A (40 U.S.C. 276a-5) and contracts involving their employment shall be subject to the provisions, as applicable, of the Contract Work Hours and Safety Standards Act (40 U.S.C. 3702 and 3704), as supplemented by Department of Labor Regulations (29 CFR Part 5). Construction contractors and subcontractors, must comply with regulation issued under these Acts and with all other

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federal laws and regulations pertaining to labor standards (Federal Labor Standards Compliance in Housing and Community Development Programs), as applicable. The Subrecipient shall maintain documentation that demonstrates compliance with hour and wage requirement of this part. Such documentation shall be submitted to the City for review on a weekly basis.

The Subrecipient agrees that all contractors engaged under contracts in excess of \$2,000.00 for construction, renovation or repair work financed in whole or in part with assistance provided under this Contract, shall comply with Federal requirements adopted by the City pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 1,3,5 and 7 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided that, if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the Subrecipient of its obligation, if any, to require the payment of the higher wage. The Subrecipient shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

**Section 24: CONTRACT NOTICES**

All notices required to be given under this contract shall be mailed or personally delivered, as follows:

*CITY OF LAREDO*  
Joseph W. Neeb  
City Manager  
City of Laredo  
1110 Houston  
Laredo, TX 78040

*SUBRECIPIENT*  
Bethany House of Laredo  
President  
819 Hidalgo St.  
Laredo, TX 78040

SIGNED by the parties, in triplicate originals on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

*CITY OF LAREDO*

*SUBRECIPIENT*

BY: \_\_\_\_\_  
Joseph W. Neeb  
City Manager

BY: \_\_\_\_\_  
President

*APPROVED AS TO FORM*

*CERTIFIED*

BY: \_\_\_\_\_  
Doanh "Zone" T. Nguyen  
City Attorney

BY: \_\_\_\_\_  
Jose A. Valdez Jr.  
City Secretary