

**GRANT AGREEMENT
BETWEEN DESCHUTES COUNTY and
CITY OF SISTERS**

No. 2023-116

Program Name: Deschutes County
Grantee: City of Sisters
Project: Affordable Housing
Address: 520 E. Cascade Avenue
PO Box 39
Sisters, OR 97759
Phone Number: 541-549-6022
Contact Person: Joe O'Neill, Interim City Manager
Amount of Award: \$500,000
Duration: 11/01/2021 to 12/31/2026

1. Background

On March 11, 2021, the American Rescue Plan Act of 2021 (ARPA) became law. Funding objectives associated with ARPA include: (a) support public health response, (b) replace public sector revenue loss, (c) investments in water and sewer infrastructure, (d) address negative economic impact to workers, families, small businesses, impacted industries and the public sector, (e) investments in broadband infrastructure, (f) address systemic public health and economic challenges that contribute to unequal impacts due to the pandemic, and (g) premium pay for essential workers bearing the greatest health risks due to service in critical infrastructure sectors.

In total, counties throughout the United States have been allocated \$65 Billion in ARPA funding. Deschutes County has been allocated and is the recipient of \$38 Million in ARPA funding.

The Grantee (subrecipient) identified in this Grant Agreement is obligated to comply with the expenditure rules included in this Grant Agreement and ARPA, in addition to the requirements of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 C.F.R. Part 200. This includes cost accounting and audit principles as well as record-keeping procedures to prevent and safeguard against the unauthorized use of ARPA funds.

Where otherwise appropriate, ARPA funds may cover costs incurred beginning March 3, 2021, onward, and must be obligated before December 31, 2024, and project performance completed by December 31, 2026.

2. Grant Agreement Purpose

The purpose of this Grant Agreement is to: Expand inventory of affordable housing units in Sisters per approval of the Board of County Commissioners on January 11, 2023. See Exhibit A for details.

3. Grant Disbursement

The maximum not-to-exceed amount payable to Grantee under this Grant Agreement, which includes any allowable expenses, is \$500,000. County will not disburse funds to Grantee in excess of the not-to-exceed amount and will not disburse funds until this Grant Agreement has been signed by all parties. Funds for the identified scope of work / project must be obligated by December 31, 2024, and project completed by December 31, 2026.

4. Subrecipient Determination

In accordance with 2 C.F.R., 200.332, the Grantee is deemed subrecipient and obligated to comply with federal requirements for pass-through entities.

5. Reporting Requirements

As applicable, Grantee shall submit reports requested by County and in accordance with the U.S. Department of the Treasury's Compliance and Reporting Guidance for State and Local Fiscal Recovery Funds available at the following link: <https://home.treasury.gov/system/files/136/SLFRF-Compliance-and-Reporting-Guidance.pdf>.

6. Effective Date and Termination Date.

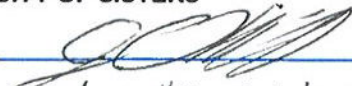
The effective date of this Grant Agreement ("Agreement") shall be deemed 11/01/2021. Unless extended or terminated earlier in accordance with its terms, this Agreement shall terminate when County confirms Grantee's completed performance on or before December 31, 2026. Grant Agreement termination shall not extinguish or prejudice County's right to enforce this Grant Agreement with respect to any default by Grantee that has not been cured. This Grant Agreement may be renewed or extended only upon written agreement of the Parties.

7. Exhibits. This Grant Agreement contains the following Exhibits.


- Exhibit A – PROGRAM / USES
- Exhibit B – FUNDING
- Exhibit C – INSURANCE REQUIREMENTS
- Exhibit D – WORKER'S COMPENSATION EXEMPTION CERTIFICATION
- Exhibit E – CONFIDENTIALITY AGREEMENT
- Exhibit F – FEDERAL TERMS AND CONDITIONS

IN WITNESS WHEREOF, the Parties hereto have caused this Grant Agreement and attached Exhibits to be executed, either as individuals, or by their officers, thereunto duly authorized.

CITY OF SISTERS

Signature: 
Email: joneille@ci.sisters.or.us
Title: Interim City Manager
Date: 2/22/2023

DESCHUTES COUNTY

Signature: 
Email: Nick.Lelack@deschutes.org
Title: County Administrator
Date: 2/23/2023

STANDARD TERMS AND CONDITIONS

1. **Governing Law, Consent to Jurisdiction.** This Grant Agreement shall be governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law.
 - A. Any claim, action, suit or proceeding (collectively, "Claim") between County and Grantee that arises from or relates to this Grant Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Deschutes County for the State of Oregon; provided, however, if a Claim shall be brought in federal forum, then it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon.
 - B. GRANTEE, BY EXECUTION OF THIS GRANT, HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF SAID COURTS. The parties agree that the UN Convention on International Sales of Goods shall not apply.
2. **Compliance with Law.** Grantee shall comply with all federal, state and local laws, regulations, executive orders and ordinances applicable to the Grantee and this Grant Agreement. This Section shall survive expiration or termination of this Grant Agreement.
3. **Independent Parties; Conflict of Interest.**
 - A. Grantee is not an officer, employee, or agent of Deschutes County as those terms are used in ORS 30.265 or otherwise.
 - B. If Grantee is currently performing work for Deschutes County or the federal government, Grantee by signature to this Grant Agreement, represents and warrants that Grantee's participation in this Grant Agreement creates no potential or actual conflict of interest as defined by ORS Chapter 244 and that no statutes, rules or regulations of the State of Oregon or federal agency for which Grantee currently performs work would prohibit Grantee's participation under this Grant Agreement. Grantee certifies that it is not currently employed by the federal government.
4. **Grant Funds; Payments.** Grantee is not entitled to compensation under this Grant Agreement by any other agency or department of the federal government. Grantee understands and agrees that County's participation in this Grant Agreement is contingent on County receiving appropriations, limitations, allotments or other expenditure authority sufficient to allow County, in the exercise of its reasonable administrative discretion, to participate in this Grant Agreement.
5. **Recovery of Overpayments.** Any funds disbursed to Grantee under this Grant Agreement that are expended in violation or contravention of one (1) or more of the provisions of this Grant Agreement or applicable federal regulation ("Misexpended Funds") or that remain unexpended on the earlier of termination or expiration of this Grant Agreement ("Unexpended Funds") must be returned to County. Only funds resulting in performance of the project by December 31, 2026, are eligible under ARPA; all other disbursed funds must be returned to the County. Any Unexpended Funds must be returned to County by **January 15, 2027**. Grantee shall return all Misexpended Funds to County promptly after County's written demand and no later than fifteen (15) days after County's written demand. Grantee shall return all Unexpended Funds to County within fourteen (14) days after the earlier of termination or expiration of this Grant Agreement.
6. **Indemnity.** GRANTEE SHALL DEFEND, SAVE, HOLD HARMLESS, AND INDEMNIFY DESCHUTES COUNTY AND ITS OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ALL CLAIMS, SUITS, ACTIONS, LOSSES, DAMAGES, LIABILITIES, COSTS AND EXPENSES OF ANY NATURE WHATSOEVER, INCLUDING ATTORNEY FEES, RESULTING FROM, ARISING OUT OF, OR RELATING TO THE ACTIVITIES OF GRANTEE OR ITS OFFICERS, EMPLOYEES, SUBCONTRACTORS, OR AGENTS UNDER THIS GRANT AGREEMENT. THIS SECTION SHALL SURVIVE EXPIRATION OR TERMINATION OF THIS GRANT AGREEMENT.
7. **Default; Remedies.** In the event of breach of this Grant Agreement the Parties shall have the following remedies:
 - A. Termination under this Grant Agreement shall be without prejudice to any obligations or liabilities of either Party already reasonably incurred prior to such termination.
 - 1) Grantee may not incur obligations or liabilities after Grantee receives written notice of termination

- 2) Additionally, neither Party shall be liable for any indirect, incidental, consequential or special damages under this Grant Agreement or for any damages of any sort arising solely from the termination of this Grant Agreement in accordance with its terms.
- B. If terminated under this Grant Agreement by the County due to a breach by the Grantee, County may pursue any remedies available at law or in equity.
 - 1) Such remedies may include, but are not limited to, termination of this Grant Agreement, return of all or a portion of this Grant Agreement amount, payment of interest earned on this Grant Agreement amount, and declaration of ineligibility for the receipt of future grant/contract awards.
 - C. If amounts previously paid to Grantee exceed the amount due to Grantee under this Grant Agreement, Grantee shall repay any excess to County upon demand.
 - D. Neither County nor Grantee shall be held responsible for delay or default caused by fire, civil unrest, government declared public health emergency, labor unrest, riot, acts of God, or war where such cause was beyond reasonable control of County or Grantee, respectively; however, Grantee shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall, upon the cessation of the cause, diligently pursue performance of its obligations under this Grant Agreement. For any delay in performance as a result of the events described in this subparagraph, Grantee may be entitled to additional reasonable time for performance that shall be set forth in an amendment to this Grant Agreement, but only upon County approval.
 - E. The passage of this Grant Agreement expiration date shall not extinguish or prejudice the County's or Grantee's right to enforce this Grant Agreement with respect to any default or defect in performance that has not been cured.
 - F. County's remedies are cumulative to the extent the remedies are not inconsistent, and County may pursue any remedy or remedies singly, collectively, successively or in any order whatsoever.
 - G. Differences between a Grantee and County will be resolved, when possible, at appropriate management levels, followed by consultation between governing or operating bodies, if necessary.
8. **Termination.** All or part of this Grant Agreement may be terminated by mutual consent of both Parties or by either Party at any time for convenience upon sixty (60) days' notice in writing to the other Party. The County may also terminate all or part of this Agreement as specified below:
- A. This Grant Agreement shall be terminated immediately and no obligations, financial or otherwise, shall be imposed upon County if funding to the County from Federal or other sources is not obtained or is not continued at levels sufficient to allow for the underlying grant award. The County will give notice whenever possible.
 - B. With thirty (30) days' written notice, if Federal or State regulations are modified or changed in such a way that the subject matter of the underlying grant award is no longer lawful or deemed an allowable use under this Grant Agreement or ARPA.
 - C. Upon notice of denial, revocation, or non-renewal of any letter of approval, license, insurance, or certificate required by law or regulation to be held by the Grantee to provide a service under this Grant Agreement.
 - D. With thirty (30) days' written notice, if Grantee fails to proceed as appropriate with the deemed allowable use(s) described in this Grant Agreement (or subsequent modifications to this Grant Agreement) within the time specified herein, or any extensions thereof.
 - E. Upon written notice, if the Grantee fails to proceed with deemed allowable uses on or about the date specified in this Grant Agreement (or subsequent modifications to this Grant Agreement).
 - F. Upon written or oral notice, if County has evidence that the Grantee has endangered or is endangering the health and safety of clients, residents, staff, or the public.
 - G. Failure of the Grantee to comply with the provisions of this Grant Agreement and all applicable Federal, State and local laws and rules which may be cause for termination of this Grant Agreement. The circumstances under which this Grant Agreement may be terminated by either Party under this paragraph may involve major or minor violations. Major violations include, but are not limited to:

- 1) Acts or omissions that jeopardize the health, safety, or security of individuals.
 - 2) Misuse of funds.
 - 3) Intentional falsification of records.
- H. In those circumstances where a major violation is substantiated, continued performance may be suspended by the County immediately. In all cases involving a major violation, a written notice of intent to terminate this Grant Agreement shall be sent to the Grantee found to be in violation. Prior to termination, the Grantee shall be given a reasonable opportunity to refute the findings. If the problem is not corrected within a reasonable time as determined by County in its sole discretion, this Grant Agreement may be terminated or other remedial actions may be initiated.
- I. Minor violations usually involve less than substantial compliance with the general or special conditions of this Grant Agreement. In the event of alleged minor violations, written notice shall be given and a reasonable period shall be allowed to develop a corrective action plan. This plan shall describe activities that respond to specific violations and means by which a permanent change will be made in the procedures or practices that caused the violation. If these activities do not occur within the notice period, this Grant Agreement may be terminated. Continued substantial minor violations that threaten adequacy of services may be treated like a major violation.
- J. Termination shall be without prejudice to any obligations or liabilities of either Party accrued prior to such termination.
- K. Grantee shall make no expenditures, enter into no contracts, nor encumber funds in its possession or to be transferred by County, after notice of termination and later termination as set out above, without prior written approval from County.
- 9. Payment on Early Termination.** Upon termination pursuant to Paragraph 8, payment shall be made as follows:
- A. If this Grant Agreement terminated because funding from Federal, State, or other sources is not obtained or is not continued at levels sufficient to allow for purchase of the indicated quantity of services, the County shall pay Grantee for deemed allowable uses undertaken prior to the termination date if such use was performed in accordance with the Grant Agreement. Provided however, County shall not be obligated to allow grant funds to be payable to Grantee for any obligations or liabilities incurred by Grantee after Grantee receives written notice of termination.
 - B. If this Grant Agreement is terminated due to Grantee's failure to perform services in accordance with this Grant Agreement, County obligations shall be limited to payment for uses/expenditures incurred in accordance with this Grant Agreement prior to the date of notice of termination, less any damages suffered by the County.
 - C. If this Grant Agreement is terminated by the Grantee due to a breach by the County, then the County shall pay the Grantee for use/expenditures incurred prior to the termination date if such work was performed in accordance with the Grant Agreement.
- 10. Grantee's Tender upon Termination.** Upon receiving a notice of termination of this Grant Agreement, Grantee shall immediately cease all activities under this Grant Agreement unless County expressly directs otherwise in such notice of termination.
- A. Upon termination of this Grant Agreement, Grantee shall, as applicable, deliver to County all documents, information, works-in-progress and other property that are or would be deliverables had this Grant Agreement been completed.
 - B. Upon County's request, Grantee shall surrender to anyone County designates, all documents, research, objects or other tangible things needed to continue the deemed allowable uses.
- 11. Insurance.** Grantee shall maintain insurance as set forth in Exhibit D, attached hereto.
- 12. Records Maintenance, Access.** Grantee shall maintain all financial records relating to this Grant Agreement in accordance with generally accepted accounting principles. In addition, Grantee shall maintain any other records, books, documents, papers, plans, records of shipments and payments and writings of Grantee, whether in paper, electronic or other form, that are pertinent to this Grant Agreement, in such a manner as to clearly document Grantee's performance. All financial records, other records, books, documents, papers, plans, records of shipments and payments and writings of Grantee whether in paper, electronic or other form, that are pertinent to this Grant

Agreement, are collectively referred to as "Records." Grantee acknowledges and agrees that County and the federal government and their duly authorized representatives shall have access to all Records to perform examinations and audits and make excerpts and transcripts. Grantee shall retain and keep accessible all Records for the longest of:

- A. Six years following final payment and termination of this Grant Agreement;
- B. The period as may be required by applicable law, including the records retention schedules set forth in OAR Chapter 166; or
- C. Until the conclusion of any audit, controversy or litigation arising out of or related to this Grant Agreement.

13. Information Privacy/Security/Access.

- A. If this Grant Agreement requires or allows Grantee and, when allowed, its subcontractor(s), to have access to or use of any County computer system or other County Information Asset for which County imposes security requirements, and Grantee or its subcontractor(s) access to such County Information Assets or Network and Information Systems, Grantee shall comply and require all subcontractor(s) to which such access has been granted to comply with OAR 943-014-0300 through OAR 943-014-0320, including as such rules may be revised from time to time. For purposes of this Section, "Information Asset" and "Network and Information System" have the meaning set forth in OAR 943-014-0305, as such rule may be revised from time to time.
- B. If this Grant Agreement requires or allows Grantee, and when allowed, its subcontractor(s), to have access to or use any information systems hosted by a third party in order to support the deemed allowable uses identified in this Grant Agreement, Grantee and any authorized subcontractor(s) access to such systems, Grantee shall comply and require all subcontractor(s) to which such access has been granted to comply with the provisions of OAR 943-014-0300 through OAR 943-014-0320 applicable to the client information in the third party system, including as such rules may be revised from time to time. Grantee will be responsible for its compliance and the compliance of its subcontractor(s) with any terms applicable to the system, which may be addressed in a separate agreement.

14. Assignment of Agreement, Successors in Interest.

- A. Grantee shall not assign or transfer its interest in this Grant Agreement without prior written consent of County. Any such assignment or transfer, if approved in the sole discretion of County, is subject to such conditions and provisions required by County. No approval by County of any assignment or transfer of interest shall be deemed to create any obligation of County apart from those set forth in this Grant Agreement.
- B. The provisions of this Grant Agreement shall be binding upon and inure to the benefit of the parties, their respective successors, and permitted assigns

15. Resolution of Disputes. The parties shall attempt in good faith to resolve any dispute arising out of this Grant Agreement. In addition, the parties may agree to utilize a jointly selected mediator or arbitrator (for non-binding arbitration) to resolve the dispute short of litigation. This Section shall survive expiration or termination of this Grant Agreement.

16. No Third Party Beneficiaries.

- A. County and Grantee are the only Parties to this Grant Agreement and are the only Parties entitled to enforce its terms.
- B. Nothing in this Grant Agreement gives or provides any benefit or right, whether directly, indirectly, or otherwise, to third persons unless such third persons are individually identified by name in this Grant Agreement and expressly described as intended beneficiaries of this Grant Agreement.

17. Severability. The parties agree that if any term or provision of this Grant Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Grant Agreement did not contain the particular term or provision held to be invalid. This Section shall survive expiration or termination of this Grant Agreement.

18. Notice. Except as otherwise expressly provided in this Grant Agreement, any communications between the parties hereto or notices to be given hereunder shall be given in writing by personal delivery, e-mail, or mailing the same, postage prepaid to Grantee or County at the address or number set forth in this Grant Agreement, or to such other addresses as either party may indicate pursuant to this Section. Any communication or notice so addressed and mailed by regular mail shall be deemed received and effective five days after the date of mailing. Any communication or notice delivered by e-mail shall be deemed received and effective five (5) days after the date of e-mailing. Any communication or notice given by personal delivery shall be deemed effective when actually delivered to the addressee.

<u>To Grantee:</u>	<u>To County:</u>
Joe O'Neill	Attn: ARPA Coordinator
Interim City Manager, City of Sisters	Deschutes County Finance Department
520 E. Cascade Avenue, PO Box 39	1300 NW Wall Street
Sisters, OR 97759	Bend, Oregon 97703
Phone: 541-549-6022	Phone: 541-388-6538
Email: joneill@ci.sisters.or.us	Email: laura.skundrick@deschutes.org

This Section shall survive expiration or termination of this Grant Agreement.

- 19. Headings.** The headings and captions to sections of this Grant Agreement have been inserted for identification and reference purposes only and shall not be used to construe the meaning or to interpret this Grant Agreement.
- 20. Amendments; Waiver; Consent.** County may amend this Grant Agreement to the extent provided herein, the solicitation document, if any from which this Grant Agreement arose, and to the extent permitted by applicable statutes and administrative rules. No amendment, waiver, or other consent under this Grant Agreement shall bind either party unless it is in writing and signed by both parties. Such amendment, waiver, or consent shall be effective only in the specific instance and for the specific purpose given. The failure of either party to enforce any provision of this Grant Agreement shall not constitute a waiver by that party of that or any other provision. This Section shall survive the expiration or termination of this Grant Agreement.
- 21. Merger Clause.** This Grant Agreement constitutes the entire agreement between the parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein, regarding this Grant Agreement.

DESCHUTES COUNTY / ARPA GRANT

EXHIBIT A: PROGRAM / USES

Expanding Affordable Housing in Deschutes County

The City's overarching request is continued partnership working together – including with the state and federal governments – to support those wanting resources and permanent housing in Sisters Country.

- The city has prioritized supporting affordable housing in Sisters. A City Council goal for fiscal year 2022/23 is to identify land and development partner(s) for a future multi-family affordable housing rental project.
- Several funding sources have been identified to support the project, including \$500,000 of American Rescue Plan Act (ARPA) funds reserved by Deschutes County for a multi-family, affordable rental housing project in Sisters.
- A site and development partner have been identified. In August of 2022, the City issued a Request for Proposals (RFP) for use of the funds for affordable housing. The city received one proposal – from NW Housing Alternatives (NHA).
- NHA proposes a 40-unit apartment building including one-, two- and three-bedroom units with one manager's unit and amenities, such as a community space and outdoor play area on a portion of a vacant lot at [322 North Trinity Way in Sisters](#) currently owned by the International Church of the Foursquare Gospel (Wellhouse Church). Units will be designed for individuals, couples, families and seniors.
- Units will be targeted at households making 65% of the Area Median Income (AMI) or less. Affordable apartments at this income level allow NHA to access federal and state funding sources. With some grants/tax credits, there may be the ability to "income average," which could allow some units to be up to 80% of the AMI, but the project must be balanced with lower AMI units to average 65% AMI or below.
- Founded in 1982, NHA is now a leading not-for profit developer of affordable and workforce housing throughout Oregon. Their mission is to create individual opportunity through housing. To that end, NHA develops, builds, and asset manages rental housing designed for Oregonians in diverse populations including families, workforce, seniors, veterans, and individuals experiencing disabilities. Their statewide housing portfolio represents a significant percentage of Oregon's overall affordable housing infrastructure.
- Per direction from City Council, the City has begun negotiating grant agreements and deed restrictions with NHA. The grant agreement will be subject to approval of the City Council.
- If successful with the grant agreement and disbursement of ARPA funds, NHA will still have to secure larger funding for the project, through state and federal sources. This may take several funding cycles to be successful and will have to negotiate purchase of the property from the current owner.

DESCHUTES COUNTY / ARPA GRANT

EXHIBIT B: FUNDING

1. **Funding.** County shall provide funding to Grantee as follows:

- A. The County will fund Grantee as a subaward of the Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) in accordance with 2 CFR Part 200 and the U.S. Department of the Treasury guidance for Coronavirus State and Local Fiscal Recovery Funds, CFDA # 21.027. Furthermore, the County will adhere to the U.S. Department of the Treasury guidance, and may require information of the Grantees including but not limited to that found within the CSLFRF Compliance and Reporting Guidance found at: <https://home.treasury.gov/system/files/136/SLFRF-Compliance-and-Reporting-Guidance.pdf>
- B. Grantees whose total award is equal to or greater than \$50,000 are subject to subrecipient monitoring pursuant to 2 CFR §§ 200.330 through 200.332 by the County.
- C. Grantees who are not subject to subrecipient monitoring pursuant to 2 CFR §§ 200.330 through 200.332 will be awarded funds as a lump sum payment. Grantees not subject to subrecipient monitoring by the County may be required, upon request, to submit quarterly reports to the County in the aggregate, with regards to obligations and expenditures with CSLFRF funds, as well as additional information ensuring the eligible usage of CSLFRF funds.
- D. Grantees who are subject to subrecipient monitoring pursuant to 2 CFR §§ 200.330 through 200.332 by the County will complete a fiscal monitoring assessment questionnaire provided by the County. The fiscal monitoring assessment questionnaire is separate from this contract and the answers provided by the Grantee to this questionnaire must be accurate to the best of their ability and be attested to by the appropriate Grantee authority. The County will evaluate the Grantee's risk of noncompliance based on the attested answers to the fiscal monitoring assessment questionnaire. The Grantees evaluated risk level will determine the initial fund award payment type and the County's degree of subrecipient monitoring to ensure CSLFRF use compliance. To ensure compliance, the County will conduct ongoing validations of risk assessment throughout the life of the award for Grantee's subject to subrecipient monitoring. As the pass-through entity of CSLFRF responsible for subrecipient monitoring and the compliance of CSLFRF use, the County has the authority, in general, including but not limited to:
 1. Reviewing Grantee financial statements, business, and performance reports.
 2. Reviewing Grantee records, invoices, payroll, supporting documentation, and other pertinent financial documents as necessary to ensure compliance.
 3. Performing on-site reviews of the Grantees program operations.
 4. Requiring Grantee payments as reimbursements rather than advance payments.
 5. Withholding authority to proceed to the next phase until receipt of evidence of acceptable performance within a given period of performance.
 6. Requiring additional, more detailed financial reports from the Grantee.
 7. Requiring additional project monitoring.
 8. Requiring the non-Federal Grantee to obtain technical or management assistance.
 9. Establishing additional prior approvals and internal controls for the Grantee
 10. Any additional requirements that the County imposes on the Grantee in order for the County to meet its own responsibility to the U.S. Department of the Treasury.
- E. Should Grantee demonstrate noncompliance the County can take enforcement action against the Grantee, including and not limited to:
 1. Temporarily withholding cash payments pending correction of the deficiency by the Grantee or more severe enforcement action by the County.
 2. Disallow (deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.

3. Wholly or partly suspend or terminate the CSLFRF award.
4. Recommend suspension or debarment proceedings as authorized under 2 CFR part 180 to be initiated by a Federal awarding agency.
5. Withhold further awards for the project or program.
6. Take other remedies that may be legally available.

- F. Notwithstanding any other payment provision of this Grant Agreement, should Grantee fail to submit required reports when due, or fail to perform or document the employment of funding for the deemed allowable uses; County may immediately withhold payments under this Grant Agreement or reject part or all of Grantee's request for funds.
- G. If the federal government disallows or requests repayment for any funds paid under this Grant Agreement due to Grantee's acts or omissions, Grantee shall make payment to County of the amount the federal government disallows or requests repayment.

2. The Maximum Funding Award.

- A. The maximum funding award under this Grant Agreement is **\$500,000**.
- B. Grantee shall not submit request for funds / invoices for, and County shall not pay for any sum in excess of the maximum funding award amount set forth above.
- 1) County may have need to amend maximum funding award through amendment of this Grant Agreement. If this maximum funding award amount is decreased or increased by amendment of this Grant Agreement, the amendment shall be fully effective before Grantee undertakes operations or proceeds with deemed allowable uses subject to the amendment.
 - 2) Notwithstanding any other funding provision of this Grant Agreement, should Grantee fail to submit required reports, itemized receipts or documentation as outlined in this Grant Agreement or as required by the federal government as a condition of ARPA funding, or fail to perform or document the performance of awarded project / uses; County shall immediately withhold funding under this Grant Agreement or reject part or the Grantee's entire request for funding.
 - 3) In the event that a statutorily required license or insurance is suspended or not extended, County's obligation to provide funding for uses / operations rendered without the necessary license or insurance will cease as of the date of expiration or suspension of license and/or insurance.

DESCHUTES COUNTY / ARPA GRANT

EXHIBIT C: INSURANCE REQUIREMENTS

Grantee shall obtain at Grantee's expense the insurance specified in this Exhibit C prior to proceeding under this Grant Agreement and shall maintain it in full force and at its own expense throughout the duration of this Grant Agreement, as required by any extended reporting period or tail coverage requirements, and all warranty periods that apply. Grantee shall obtain the following insurance from insurance companies or entities that are authorized to transact the business of insurance and issue coverage in the State of Oregon and that are acceptable to the County. Coverage shall be primary and non-contributory with any other insurance and self-insurance, with the exception of Professional Liability and Workers' Compensation. Grantee shall pay for all deductibles, self-insured retention and self-insurance, if any.

1. **WORKERS' COMPENSATION & EMPLOYERS' LIABILITY**

All employers, including Grantee, that employ subject workers, as defined in ORS 656.027, shall comply with ORS 656.017 and provide workers' compensation insurance coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2), (Exemption Certificate Exhibit D). As applicable, Grantee shall require and ensure that each of its subcontractors complies with these requirements. If Grantee is a subject employer, as defined in ORS 656.023, Grantee shall also obtain employers' liability insurance coverage with limits not less than \$500,000 each accident. If Grantee is an employer subject to any other state's workers' compensation law, Grantee shall provide workers' compensation insurance coverage for its employees as required by applicable workers' compensation laws including employers' liability insurance coverage with limits not less than \$500,000 and shall require and ensure that each of its out-of-state subcontractors complies with these requirements.

2. **COMMERCIAL GENERAL LIABILITY:**

Required Not required

Commercial General Liability Insurance covering bodily injury and property damage in a form and with coverage that are satisfactory to the County. This insurance shall include personal and advertising injury liability, products and completed operations, contractual liability coverage for the indemnity provided under this Grant Agreement, and have no limitation of coverage to designated premises, project or operation. Coverage shall be written on an occurrence basis in an amount of not less than \$1,000,000 per occurrence. Annual aggregate limit shall not be less than \$2,000,000.

3. **PROFESSIONAL LIABILITY:**

Required Not required

PROFESSIONAL LIABILITY. Professional Liability Insurance covering any damages caused by an error, omission, or negligent act related to the services to be provided under this Grant Agreement, with limits not less than the \$2,000,000 per occurrence. Annual aggregate limit shall not be less than \$4,000,000.

4. **AUTOMOBILE LIABILITY INSURANCE:**

Required Not required

Automobile Liability Insurance covering Grantee's business use including coverage for all owned, non-owned, or hired vehicles with a combined single limit of not less than \$1,000,000 for bodily injury and property damage. This coverage may be written in combination with the Commercial General Liability Insurance (with separate limits for Commercial General Liability and Automobile Liability). Use of personal automobile liability insurance coverage may be acceptable if evidence that the policy includes a business use endorsement is provided.

5. **ADDITIONAL INSURED:**

All liability insurance, except for Workers' Compensation, Professional Liability, and Network Security and Privacy Liability (if applicable), required under this Grant Agreement must include an additional insured endorsement specifying Deschutes County, its officers, employees and agents as Additional Insureds, including additional insured status with respect to liability arising out of ongoing operations and completed operations, but only with respect to Grantee's activities to be performed under this Grant Agreement. Coverage shall be primary and non-contributory with any other insurance and self-insurance. The Additional Insured endorsement with respect to liability arising out of your ongoing operations must be on ISO Form CG 20 10 07 04 or equivalent and the Additional Insured endorsement with respect to completed operations must be on ISO form CG 20 37 07 04 or equivalent.

6. WAIVER OF SUBROGATION:

Grantee shall waive rights of subrogation which Grantee or any insurer of Grantee may acquire against the County by virtue of the payment of any loss. Grantee will obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the County has received a waiver of subrogation endorsement from the Grantee or the Grantee's insurer(s).

7. TAIL COVERAGE:

If any of the required insurance is on a claims made basis and does not include an extended reporting period of at least twenty-four (24) months, Grantee shall maintain either tail coverage or continuous claims made liability coverage, provided the effective date of the continuous claims made coverage is on or before the effective date of this Grant Agreement, for a minimum of twenty-four (24) months following the later of (i) Grantee's completion of the uses / project funding by this Grant Agreement, or, (ii) County or Grantee termination of this Grant Agreement, or, (iii) the expiration of all warranty periods (if applicable) provided under this Grant Agreement.

8. CERTIFICATE(S) AND PROOF OF INSURANCE:

Grantee shall provide to County Certificate(s) of Insurance for all required insurance before County will fund this Grant Agreement. The Certificate(s) shall list Deschutes County, 1300 NW Wall Street, Bend, OR 97703 as a Certificate holder. The Certificate(s) shall also include all required endorsements or copies of the applicable policy language effecting coverage required by this Grant Agreement. If excess/umbrella insurance is used to meet the minimum insurance requirement, the Certificate of Insurance must include a list of all policies that fall under the excess/umbrella insurance. As proof of insurance County has the right to request copies of insurance policies and endorsements relating to the insurance requirements in this Grant Agreement.

9. NOTICE OF CHANGE OR CANCELLATION:

The Grantee or its insurer must provide at least thirty (30) days' written notice to County before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of the required insurance coverage(s).

10. INSURANCE REQUIREMENT REVIEW:

Grantee agrees to periodic review of insurance requirements by County under this Grant Agreement and to provide updated requirements as mutually agreed upon by Grantee and County.

11. COUNTY ACCEPTANCE:

All insurance providers are subject to County acceptance. If requested by County, Grantee shall provide complete copies of insurance policies, endorsements, self-insurance documents and related insurance documents to County's representatives responsible for verification of the insurance coverages required under this Exhibit C.

DESCHUTES COUNTY RISK MANAGEMENT

Signature:

Sky

Email:

Sarah.Kuy@deschutes.org

Title:

Loss Prevention Coordinator

Date:

2/23/2023

DESCHUTES COUNTY / ARPA GRANT

EXHIBIT D: WORKER'S COMPENSATION EXEMPTION CERTIFICATION

(To be used only if Grantee claims to be exempt from Workers' Compensation coverage requirements)

Grantee is exempt from the requirement to obtain workers' compensation insurance under ORS Chapter 656 for the following reason (check the appropriate box):

NOT APPLICABLE

- Grantee is providing Workers' Compensation certificate.

SOLE PROPRIETOR

- Grantee is a sole proprietor, and
- Grantee has no employees, and
- Grantee shall not hire employees to perform this contract.

CORPORATION - FOR PROFIT

- Grantee's business is incorporated, and
- All employees of the corporation are officers and directors and have a substantial ownership interest* in the corporation, and
- The officers and directors shall perform all work. Grantee shall not hire other employees to perform this contract.

CORPORATION - NONPROFIT

- Grantee's business is incorporated as a nonprofit corporation, and
- Grantee has no employees; all work is performed by volunteers, and
- Grantee shall not hire employees to perform this contract.

PARTNERSHIP

- Grantee is a partnership, and
- Grantee has no employees, and
- All work shall be performed by the partners; Grantee shall not hire employees to perform this contract, and
- Grantee is not engaged in work performed in direct connection with the construction, alteration, repair, improvement, moving or demolition of an improvement to real property or appurtenances thereto.


LIMITED LIABILITY COMPANY

- Grantee is a limited liability company, and
- Grantee has no employees, and
- All work shall be performed by the members; Grantee shall not hire employees to perform this contract, and
- If Grantee has more than one member, Grantee is not engaged in work performed in direct connection with the construction, alteration, repair, improvement, moving or demolition of an improvement to real property or appurtenances thereto.

*NOTE: Under OAR 436-050-050 a shareholder has a "substantial ownership" interest if the shareholder owns 10% of the corporation or, if less than 10% is owned, the shareholder has ownership that is at least equal to or greater than the average percentage of ownership of all shareholders.

**NOTE: Under certain circumstances partnerships and limited liability companies can claim an exemption even when performing construction work. The requirements for this exemption are complicated. Consult with County Counsel before an exemption request is accepted from a contractor who shall perform construction work.

CITY OF SISTERS

Signature: 
Email: jonelle.ci.sisters.or.us
Title: Interim City Manager
Date: 2/22/2023

DESCHUTES COUNTY / ARPA GRANT
EXHIBIT E: CONFIDENTIALITY AGREEMENT

1. INTRODUCTION

This Confidentiality (the "Agreement") is entered into as of 11/01/2021 by and between City of Sisters ("Grantee") and Deschutes County, a political subdivision of the State of Oregon ("Covered Entity").

WHEREAS, in connection with the performance of the Services, Grantee may receive from the County or otherwise have access to certain information that is required to be kept confidential in accordance with the Health Insurance Portability and Accountability Act of 1996 and regulations promulgated thereunder, as may be amended from time to time (collectively, "HIPAA"); and

WHEREAS, as a part of the American Recovery and Reinvestment Act, the federal Health Information Technology for Economic and Clinical Health Act (the "HITECH Act") was signed into law, imposing certain privacy and security obligations on Covered Entities in addition to the obligations created by the Privacy Standards and Security Standards; and

WHEREAS, the HITECH Act revises many of the requirements of the Privacy Standards and Security Standards concerning the confidentiality of Protected Health Information (PHI) and Electronic Protected Health Information (EPHI), including extending certain HIPAA and HITECH Act requirements directly to business associates; and

WHEREAS, the HITECH Act requires that certain of its provisions be included in agreements, and that certain requirements of the Privacy Standards be imposed contractually upon Covered Entities as well as parties in privity;

Therefore, in consideration of the foregoing premises and the mutual covenants and conditions set forth below and in this Confidentiality Agreement between Grantee and County for Grantee's provision of deemed allowable uses, intending to be legally bound, agree as follows.

2. DEFINITIONS

- A. *Disclosure* means the release, transfer, provision of access to, or divulging in any other manner, of PHI, outside Grantee's organization, i.e., to anyone other than its employees who have a need to know or have access to the PHI.
- B. *Electronic Protected Health Information* or "*EPHI*" means protected health information (as defined below) that is transmitted, stored, or maintained by use of any electronic media. For purposes of this definition, "electronic media" includes, but is not limited to, memory devices in computers (hard drives); removable/transportable digital memory media (such as magnetic tape or disk, removable drive, optical disk, or digital memory card); the internet; the extranet; leased lines; dial-up lines; private networks; or e-mail.
- C. *Health Care Component* means a Deschutes County department, office or division, that regularly provides healthcare services or that regularly creates, accesses, uses or maintains PHI, and that Deschutes County has designated as a HIPAA-covered component of the County.
- D. *Protected Health Information* or "*PHI*" means information transmitted by or maintained in any form or medium, including demographic information collected from an individual, that (a) relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual, or the past, present, or future payment for the provision of health care to an individual; (b) individually identifies the individual or, with respect to which, there is a reasonable basis for believing that the information can be used to identify the individual; and (c) is received by Grantee from or on behalf of County, or is created by Grantee, or is made accessible to Grantee by County.
- E. *Secretary* means the Secretary of the United States Department of Health and Human Services or any other officer or employee of the Department of Health and Human Services to whom the authority involved has been delegated.
- F. *Services* means the CBO Services provided by Grantee and identified in the Grant Agreement to which this Exhibit E is attached.

G. *Use* (whether capitalized or not and including the other forms of the word) means, with respect to PHI, the sharing, employment, application, utilization, transmission, examination, or analysis of such information to, from or within Grantee's organization.

3. **AGREEMENT.** Grantee shall:

- A. not use PHI except as necessary to provide the Services.
- B. not disclose PHI to any third party and/or external client/patient and associated health care provider(s) without County's prior written consent.
- C. not use or disclose PHI except as required by law.
- D. implement appropriate safeguards to prevent unauthorized use or disclosure of PHI.
- E. comply with Subpart C of 45 CFR Part 164 with respect to electronic protected health information, to prevent use or disclosure of EPHI other than as provided for by this Confidentiality Agreement.
- F. mitigate, as much as possible, any harmful effect of which it is aware of any use or disclosure of PHI in violation of this Confidentiality Agreement.
- G. promptly report to County any use or disclosure of PHI not permitted by this Confidentiality Agreement of which Grantee becomes aware.
- H. make its internal practices, books, and records (including the pertinent provisions of this Confidentiality Agreement) relating to the use and disclosure of PHI, available to the Secretary for the purposes of determining County's compliance with HIPAA.
- I. return to County, or destroy, any PHI of County still in Grantee's possession upon conclusion or termination of the underlying Grant Agreement.
- J. ensure that any subcontractors that create, receive, maintain, or transmit PHI on behalf of the Grantee agree to the same restrictions, conditions, and requirements that apply to the Grantee with respect to security and privacy of such information.
- K. make PHI available to County as necessary to satisfy County's obligation with respect to individuals' requests for copies of their PHI, as well as make available PHI for amendments (and incorporate any amendments, if required) and accountings.
- L. make any amendment(s) to PHI in a designated record set as directed or agreed to by the County pursuant to 45 CFR 164.526, or take other measures as necessary to satisfy County's obligations under 45 CFR 164.526.
- M. to the extent the Grantee is to carry out one or more of County's obligation(s) under Subpart E of 45 CFR Part 164, comply with the requirements of Subpart E that apply to the County in the performance of such obligation(s).
- N. If Grantee (a) becomes legally compelled by law, process, or order of any court or governmental agency to disclose PHI, or (b) receives a request from the Secretary to inspect Grantee's books and records relating to the use and disclosure of PHI, Grantee, to the extent it is not legally prohibited from so doing, shall promptly notify County and cooperate with County in connection with any reasonable and appropriate action County deems necessary with respect to such PHI.
- O. If any part of Grantee's performance of business functions involves creating, receiving, storing, maintaining, or transmitting EPHI:
 - i. implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of EPHI that it creates, receives, stores, maintains, or transmits on behalf of County, in accordance with the requirements of 45 CFR Part 160 and Part 164, Subparts A and C; and
 - ii. report to County any security incident relating to the EPHI that Grantee maintains for County.

4. HIPAA DATA BREACH NOTIFICATION AND MITIGATION

- A. Grantee agrees to implement reasonable systems for the discovery and prompt reporting of any "breach" of "unsecured PHI" as those terms are defined by 45 C.F.R. §164.402 (hereinafter a "HIPAA Breach"). The parties acknowledge and agree that 45 C.F.R. §164.404, as described below in this Section, governs the determination of the date of a HIPAA Breach. Grantee will, following the discovery of a HIPAA Breach, notify County immediately and in no event later than seven business days after Grantee discovers such HIPAA Breach, unless Grantee is prevented from doing so by 45 C.F.R. §164.412 concerning law enforcement investigations.
- B. For purposes of reporting a HIPAA Breach to County, the discovery of a HIPAA Breach shall occur as of the first day on which such HIPAA Breach is known to the Grantee or, by exercising reasonable diligence, would have been known to the Grantee. Grantee will be considered to have had knowledge of a HIPAA Breach if the HIPAA Breach is known, or by exercising reasonable diligence would have been known, to any person (other than the person committing the HIPAA Breach) who is an employee, officer or other agent of the Grantee. No later than seven (7) business days following a HIPAA Breach, Grantee shall provide County with sufficient information to permit County to comply with the HIPAA Breach notification requirements set forth at 45 C.F.R. §164.400, *et seq.*
- C. Specifically, if the following information is known to (or can be reasonably obtained by) Grantee, Grantee will provide County with: (i) contact information for individuals who were or who may have been impacted by the HIPAA Breach; (ii) a brief description of the circumstances of the HIPAA Breach, including its date and the date of discovery; (iii) a description of the types of unsecured PHI involved in the HIPAA Breach; (iv) a brief description of what the Grantee has done or is doing to investigate the HIPAA Breach, mitigate harm to the individual impacted by the HIPAA Breach, and protect against future HIPAA Breaches; and (v) a liaison (with contact information) so that Grantee may conduct further investigation concerning the HIPAA Breach. Following a HIPAA Breach, Grantee will have a continuing duty to inform County of new information learned by Grantee regarding the HIPAA Breach, including but not limited to the information described herein.
- D. Data Breach Notification and Mitigation Under Other Laws. In addition to the requirements above, Grantee agrees to implement reasonable systems for the discovery and prompt reporting of any breach of individually identifiable information (including but not limited to PHI, and referred to hereinafter as "Individually Identifiable Information") that, if misused, disclosed, lost or stolen, Grantee believes would trigger an obligation under one or more State data breach notification laws (each a "State Breach") to notify the individuals who are the subject of the information.
- E. Breach Indemnification. Grantee shall indemnify, defend and hold County harmless from and against any and all actual losses, liabilities, damages, costs and expenses (collectively, "Information Disclosure Claims") arising directly from (i) the use or disclosure of Individually Identifiable Information (including PHI) in violation of the terms of this Agreement or applicable law, and (ii) any HIPAA Breach of unsecured PHI and/or any State Breach of Individually Identifiable Information. Grantee will assume the defense of any Information Disclosure Claim; County may participate, at its expense, in the defense of such Information Disclosure Claim. Grantee shall not take any final action with respect to any Information Disclosure Claim without the prior written consent of County.

5. OTHER PROVISIONS

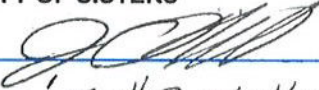
- A. A breach under this Confidentiality Agreement shall be deemed to be a material default in Grantee's associated Grant agreement with Deschutes County.
- B. Grantee authorizes termination of the associated Grant Agreement by County if County determines Grantee has violated a material term of this Confidentiality Agreement.
- C. Upon conclusion or termination of the uses / project, Grantee shall promptly return or destroy all PHI that Grantee maintains in any form and retain no copies of such information. If the return or destruction of such PHI is not feasible, the obligations under this Confidentiality Agreement shall continue in effect for so long as Grantee retains such information, and any further use or disclosure of such PHI shall be limited to those purposes that make the return or destruction of the PHI infeasible.
- D. To the extent there are any inconsistencies between this Confidentiality Agreement and the terms of any other agreement, either written or oral, between County and Grantee, the terms of this Confidentiality Agreement shall prevail.
- E. Contact Information in the event of HIPAA Data Breach or Termination.

- 1) Except as otherwise expressly provided in this Confidentiality Agreement, any communications between the Parties hereto or notices to be given hereunder shall be given in writing, to Covered Entity or Business Associate at the address or number set forth below or to such other addresses or numbers as either Party may hereafter indicate in writing. Delivery may be by personal delivery, electronic mail, facsimile, or mailing the same, postage prepaid.
- 2) Any communication or notice by personal delivery shall be deemed delivered when actually given to the designated person or representative.
- 3) Any communication or notice mailed shall be deemed delivered five (5) days after mailing. Any notice under this Agreement shall be mailed by first class postage or delivered as follows:

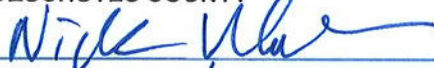
<u>To Covered Entity:</u>	<u>To Grantee:</u>
Attn: ARPA Coordinator	Joe O'Neill
Deschutes County Finance Dept.	Interim City Manager, City of Sisters
1300 NW Wall Street	520 E. Cascade Ave., PO Box 39
Bend, Oregon 97703	Sisters, OR 97759
Phone: 541-388-6538	Phone: 541-549-6022
Email: dan.emerson@deschutes.org	Email: joneill@ci.sisters.or.us

IN WITNESS WHEREOF, the Parties hereto have caused this Confidentiality Agreement to be executed, either as individuals, or by their officers, thereunto duly authorized.

CITY OF SISTERS

Signature: 
 Email: joneill@ci.sisters.or.us
 Title: Interim City Manager
 Date: 2/22/2023

DESCHUTES COUNTY

Signature: 
 Email: Nick.Lelack@deschutes.org
 Title: County Administrator
 Date: 2/23/2023

DESCHUTES COUNTY / ARPA GRANT

EXHIBIT F: FEDERAL TERMS AND CONDITIONS

1. BACKGROUND AND GOALS

On March 11, 2021, in response to the ongoing public health COVID-19 pandemic, Congress approved the American Rescue Plan Act (ARPA) which provides State and local governments with financial resources to address the COVID-19 public health emergency and its economic impacts.

ARPA identifies "eligible uses" for ARPA funds. Included are: (a) support public health response, (b) replace public sector revenue loss, (c) investments in water and sewer infrastructure, (d) address negative economic impact to workers, families, small businesses, impacted industries and the public sector, (e) investments in broadband infrastructure, (f) address systemic public health and economic challenges that contribute to inequal impacts due to the pandemic, and (g) premium pay for essential workers bearing the greatest health risks due to service in critical infrastructure sectors.

Federal Funding Information for Subrecipients As Required

By 2 CFR 200.331(a)¹

1. Federal Award Identification	
(i) Subrecipient Name:	
(ii) Subrecipient DUNS #:	
(iii) Federal Award Identification Number (FAIN):	SLFRP1796
(iv) Federal Award Date:	March 3, 2021 through December 31, 2026
(v) Subaward Period of Performance (Start & End Date):	December 1, 2021 to December 31, 2024
(vi) Federal Funding Obligation	
a) Total Amount of Federal Funds Obligated by this Agreement:	\$500,000
a.1)	
a.2)	
a.3)	
a.4)	
b) Total Amount of Federal Funds Obligated to Subrecipient by Pass-Through Entity (PTE), including this agreement:	\$500,000
c) Total Amount of Federal Award committed to Subrecipient by PTE:	\$500,000
(vii) Federal Award Project Description:	Coronavirus State and Local Fiscal Recovery Funds - (CSLFRF)
(viii) Identify the following:	
a) Federal awarding agency	US Department of Treasury
b) Pass-Through Entity	Deschutes County
c) Contact info for awarding official:	laura.skundrick@deschutes.org
(ix) Identify Program Information	
a) Catalog of Federal Domestic Assistance (CFDA) #:	21.027
b) Program Name:	American Rescue Plan
c) Is the award Research & Development? (Yes/No)	No
d) Indirect Cost Rate for Federal award:	
2. Subrecipient Indirect Cost Rate	
Indirect cost rate passed through to subrecipient:	
3. Additional Requirements or Comments (if any)	

Identify in this section additional conditions concerning closeout of award or required financial/performance reports or any other comments regarding the federal award. If no additional information is necessary, please delete this section or mark N/A.

¹Subrecipient will comply with Federal statutes, regulations and terms and conditions of the Federal award in accordance with 2 CFR 200.331 (a)(2). Subrecipient will permit the pass-through entity and auditors to have access to subrecipient's records and financial statements as necessary for the PTE to meet requirements of 2 CFR 200.331 (a)(5). Subrecipient will also permit the pass-through entity to have access to subrecipient's records for monitoring the activities of the subrecipient, as necessary, to ensure that the subaward is used for the authorized purposes. Such monitoring will include reviewing the financial and performance reports required by the pass-through entity as well as following up and ensuring the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient in order to meet the requirements of 2 CFR 200.331(d).

2. PROJECT ACTIVITIES, SCHEDULE, AND BUDGET

The project uses are described in Exhibit A: Direct and indirect administrative costs are allowed pursuant to the State and Local Fiscal Recovery Funds Compliance and Reporting Guidance, referenced here:

<https://home.treasury.gov/system/files/136/SLFRF-Compliance-and-Reporting-Guidance.pdf>. Any programs charging administrative costs must be able to establish a direct connection between the administrative cost and COVID-19 related expenses. Any direct administrative costs charged to this ARPA Grant must not be covered by a program's indirect cost rate.

ARPA funds may be used for response(s) to COVID-19 and associated economic impacts that were incurred from March 3, 2021, onward, and must be obligated by no later than December 31, 2024.

Grantee must return to County upon closeout any grant funds that remain unexpended or committed for payment on December 31, 2026. These unexpended funds must be returned no later than **January 15, 2027**.

3. Guidelines and Answers to FAQs

Grantee will expend grant funding in accordance with criteria and guidance established and updated by US Treasury. The links below may be useful:

<https://home.treasury.gov/system/files/136/SLFRPFAQ.pdf>

<https://www.whitehouse.gov/american-rescue-plan/>

<https://home.treasury.gov/news/featured-stories/fact-sheet-the-american-rescue-plan-will-deliver-immediate-economic-relief-to-families>

<https://www.opm.gov/policy-data-oversight/pay-leave/arpa/>

<https://www.congress.gov/bill/117th-congress/house-bill/1319>

<https://www.irs.gov/newsroom/tax-credits-for-paid-leave-under-the-american-rescue-plan-act-of-2021-for-leave-after-march-31-2021>

<https://www.federalregister.gov/documents/2021/05/26/2021-11155/notice-of-funds-availability-american-rescue-plan-act-of-2021-section-1005-loan-payment-arpa>

4. REPORTING REQUIREMENTS

Grantee must submit quarterly financial reports to County.

5. DISBURSEMENT PROVISIONS

County will endeavor to disburse the Grant Funds promptly after receipt of signed Grant Agreement.

6. FEDERAL FUNDS

County's funding to Grantee under this Grant Agreement will be paid in whole or in part by funds received from the United States Federal Government. Grantee, by signing this Grant Agreement, certifies neither it nor its employees, contractors, subcontractors or subrecipients who will undertake the funded uses / project are currently employed by an agency or department of the federal government.

7. FEDERAL PROVISIONS

The use of all federal funds paid under this Grant Agreement are subject to all applicable federal regulations, including but not necessarily limited to the provisions identified below.

Grantee must ensure that any further distribution or payment of the federal funds paid under this Grant Agreement by means of any contract, subgrant, or other agreement between Grantee and another party for the performance of any of the activities of this Grant Agreement, includes the requirement that such funds may be used solely in a manner that complies with the provisions of this Grant Agreement.

Grantee must include and incorporate the provisions identified below in all contracts and subgrants that may use, in whole or in part, the funds provided by this Grant Agreement.

Grantee must comply, and ensure the compliance by subcontractors or subrecipients, with 41 U.S.C. 4712, Program for Enhancement of Employee Whistleblower Protection. Grantee must inform subrecipients, contractors and employees, in writing, in the predominant language of the workforce, of the employee whistleblower rights and protections under 41 USC § 4712.

In accordance with U.S. Treasury guidance – Grantee is subject to the following provisions, as applicable:

For purposes of these provisions, the following definitions apply:

“**Contract**” means this Grant Agreement or any contract or subgrant funded by this Grant Agreement.

“**Contractor**” and “**Subrecipient**” and “**Non-Federal entity**” mean Grantee or Grantee's contractors or subrecipients, if any.

(A) 2 CFR §200.303 Internal Controls

(B) 2 CFR §§ 200.330 through 200.332 Subrecipient Monitoring and Management

(C) Subpart F – Audit Requirements of 2 CFR §§200.500 through 200.521

- i. Grantee must comply, and require any subcontractor to comply, with applicable audit requirements and responsibilities set forth in this Grant Agreement and applicable state or federal law.
- ii. If Grantee receives federal awards in excess of \$750,000 in a fiscal year, Grantee is subject to audit conducted in accordance with the provisions of 2 CFR part 200, subpart F. Copies of all audits must be submitted to County within thirty (30) days of completion.
- iii. Grantee must save, protect and hold harmless the County from the cost of any audits or special investigations performed by the federal government with respect to the funds expended under this Grant Agreement. Grantee acknowledges and agrees that any audit costs incurred by Grantee as a result of allegations of fraud, waste or abuse are ineligible for reimbursement under this or any other agreement between Grantee and the County.

(D) System for Award Management. Grantee must comply with applicable requirements regarding the System for Award Management (SAM), currently accessible at <https://www.sam.gov>. This includes applicable requirements regarding registration with SAM, as well as maintaining current information in SAM. The Grantee also must comply with applicable restrictions on subawards ("subgrants") to first-tier subrecipients (first-tier "subrecipients"), including restrictions on subawards to entities that do not acquire and provide (to the Recipient) the unique entity identifier required for SAM registration.

(E) Davis Bacon Act (40 U.S.C. sec. 3141-3148)

(F) Anti-Kickback Act (40 U.S.C. sec. 3145)

(G) Contract Work Hours and Safety Standards (40 U.S.C. sec. 3701-3708)

(H) Clean Air Act (42 U.S.C. sec. 7401-7671)

(I) Water Pollution Control Act (33 U.S.C. sec. 1251-1387)

(J) Debarment and Suspension (Executive Orders 12549 and 12689)

(K) Byrd Anti-Lobbying Amendment (31 U.S.C. sec. 1352)

(L) Procurement of Recovered Materials (2 C.F.R. sec. 200.323)

(M) Prohibition on Telecommunications and Video Surveillance Services or Equipment (2 C.F.R. sec. 200.216)

(N) Domestic Preferences for Procurements (2 C.F.R. sec. 200.322)

Information Page

Policy no: 100035072
Employer identification no: 93-6002257
NCCI Risk ID no: 361417038

Item 1. **The Insured:**
 CITY OF SISTERS

Entity Type:
 Political Subdivision: City

Mailing address:
 CITY OF SISTERS
 PO BOX 39
 SISTERS, OR 97759-0039

Agent:
 RON CUTTER
 BROWN & BROWN OF OREGON LLC
 BROWN & BROWN NORTHWEST
 PO BOX 29018
 PORTLAND, OR 97296-9018

Other workplaces not shown above:
 520 E Cascade Ave
 Sisters, OR 97759-5039

Item 2. **The policy period** is from 07/01/2022, 12:01 A.M. to 07/01/2023, 12:01 A.M. at the insured's mailing address.

- Item 3. **A. Workers Compensation Insurance: Part One** of the policy applies to the Workers Compensation Law of the states listed here: OREGON.
- B. Employers Liability Insurance: Part Two** of the policy applies to work in each state listed in item 3.A. The limits of our liability under Part Two are:
- Bodily Injury by Accident \$3,000,000 each accident
 - Bodily Injury by Disease \$3,000,000 each employee
 - Bodily Injury by Disease \$3,000,000 policy limit
- C. Other States Insurance: Part Three** of the policy applies to the states, if any, listed here:
 NONE
- D. This policy includes these endorsements and schedules:**
- WC360304 Oregon Amendatory Endorsement
 - WC990616 Confidentiality Endorsement
 - WC000424 Audit Noncompliance Charge Endorsement
 - WC360402 Oregon Contracting Classification Premium Adjustment Endorsement
 - WC360601E Oregon Cancellation Endorsement
 - WC000414A 90-Day Reporting Requirement-Notification of Change in Ownership Endorsement
 - WC990401C Premium Payment Rating Plan Endorsement
 - WC000310 Sole Proprietors, Partners, Officers and Others Coverage Endorsement
 - WC000421E Catastrophe (other than Certified Acts of Terrorism) Premium Endorsement
 - WC000422C Terrorism Risk Insurance Program Reauthorization Act Disclosure endorsement.
 - WC000406A Premium Discount Endorsement
 - WC360404 Oregon Group Supplemental Experience Rating Plan Endorsement
 - WC360406 Premium Due Date Endorsement

Item 4. **The premium** for this policy will be determined by our Manuals of Rules, Classifications, Rates and Rating Plans. The experience rating modification factor and other rating plan factors, if any, may change on your rating effective date of 7/1/2023. All information required below is subject to verification and change by audit.