

**INTERGOVERNMENTAL SUB-RECIPIENT AGREEMENT
BETWEEN
THE BALDWIN COUNTY COMMISSION
AND
NORTH BALDWIN UTILITIES
FOR THE IMPLEMENTATION OF
COMMUNITY DEVELOPMENT BLOCK GRANT PROJECT NO. CY-CM-PF-13-013
SOUTH LOTTIE COMMUNITY PUBLIC WATER SYSTEM EXTENSION**

The Baldwin County Commission (hereinafter referred to as the "County") and North Baldwin Utilities (hereinafter referred to as the "Board") hereby enter into this Intergovernmental Sub-Recipient Agreement for the implementation of the above referenced project. The purpose of this Agreement is to clarify responsibilities concerning the Community Development Block Grant Project No. CY-CM-PF-13-013, South Lottie Community Water Extension Project (hereinafter referred to as the "Project"). The grant project was awarded to the Baldwin County Commission from the Alabama Department of Economic and Community Affairs (ADECA) on November 8, 2013. The total project cost is estimated to be \$742,629. The grant amount is \$350,000 and the Board will provide \$392,629 in "in-kind" matching contributions of labor, equipment and engineering towards the project. The Board will also provide for the long-term operation and maintenance costs of the proposed improvements. The purpose of the project is to extend public water services to the South Lottie Community.

WHEREAS, the County has been awarded a Community Development Block Grant Project No. CY-CM-PF-13-013 for the extension of public water services to the South Lottie Community. The grant award includes water service extension, engineering and administration of said Project, as defined in the grant application submitted by the County to the Alabama Department of Economic and Community Affairs in August of 2013;

NOW, THEREFORE BE IT RESOLVED, that the parties hereto understand and agree as follows:

1. The Board shall be responsible for providing \$392,629 in "in-kind" matching funds as required by the grant agreement executed between the County and the Alabama Department of Economic and Community Affairs (ADECA) for public water services as described in the scope of services in said grant agreement. All funds (\$350,000 grant and \$392,629 match) must be spent in compliance with an ADECA approved project budget.
2. The County authorizes the Board to serve as its agent in the construction components of this Project. The Board shall be responsible for all implementation tasks related to the construction components of the project. In delegating this responsibility to the Board, the County requires that all CDBG rules, regulations and guidelines be strictly followed. The Board shall comply with all applicable local, state and federal laws and regulations. It is further agreed that any substantial change to the scope of work as described in the grant application or

modification of the service area that would require any formal modification of any provision of the CDBG grant agreement will require notification of and approval by the County. The Board shall provide such notification in writing.

3. The Board shall be fully responsible for compliance with the environmental review process of the project following the grant program guidelines. The Board will be responsible for ensuring that all CDBG environmental compliance requirements be met and approved by ADECA and environmental regulating agencies prior to any action related to construction.
4. The Board shall require all contractors and subcontractors to fully comply with all grant related requirements as stipulated in the Grant Agreement between the County and the State of Alabama, such as the Davis Bacon Act, and Equal Opportunity requirements.
5. The County authorizes the Board to act as the fiscal agent for the Project and to approve and pay all invoices related to the Project. The Board agrees to provide copies of all contracts, pay estimates, invoices, and other relevant correspondence to the County upon request.
6. Fiscal records and books will be kept for audit purposes by the designated fiscal agent for the Board. All funds will be deposited in a separate bank account entitled "CDBG Project No. CY-CM-PF-13-013". The Board agrees to allow accessibility of the Project records and files for inspection by the County auditors, State Examiners Office, ADECA, the U.S. Department of Housing and Urban Development and other monitoring agencies.
7. Should any land acquisition be necessary (for construction and /or permanent easements and/or rights-of-way), the Board will acquire the necessary parcels under the provisions of Public Law 91-646, the Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970, as amended. Should condemnation procedures become necessary, the County will use its power of eminent domain to acquire the land if necessary.
8. As required by the CDBG guidelines, upon completion of the Project all records and files for this Project will be maintained by the Board in a secure place for no less than five years from the date of final disbursement.
9. In the event that all or any portion of the hereinabove described grant funds are required to be repaid to the granting authority as a result of acts or omissions of the Board and/or its contractors, vendors or suppliers, pursuant to this Project, the Board agrees that it will indemnify the County and hold the County harmless from and against any duty to repay or to replace such funds. Further, the Board will indemnify and hold harmless the County and its officers and employees from any all claims, demands, losses, damages, suites and expenses including attorneys' fees arising from activities conducted relative the Project.

10. This agreement calls for the Board to perform certain acts on behalf of the County. The obligation of funds (with the exception of the procurement of professional services of program administration which is an exempt activity pursuant to 24 CFR, part 58.34) is strictly prohibited until all environmental reviews and assessments have been completed in compliance with 24 CFR part 58 and ADECA has issued a "removal of grant conditions" to the County.

Effective Date of Acceptance by County: 12-17-13

Effective Date of Acceptance by Board: November 20, 2013

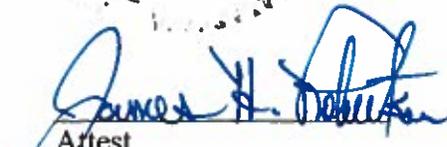


Attest

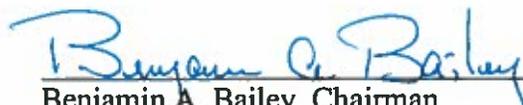


Commissioner Charles F. "Skip" Gruber, Chairman
Baldwin County Commission





Attest



Benjamin A. Bailey, Chairman
North Baldwin Utilities

