

**AMENDMENT THREE  
TO THE FEDERALLY FUNDED  
COMMUNITY DEVELOPMENT BLOCK GRANT  
MITIGATION PROGRAM (CDBG-MIT)  
SUBRECIPIENT AGREEMENT**

On **May 9, 2022**, the State of Florida, Department of Commerce (“Commerce”), formerly known as the Florida Department of Economic Opportunity, and **the City of Sebring, Florida** (“Subrecipient”) entered into agreement **MT056** (“Agreement”). Commerce and the Subrecipient may individually be referred to herein as a “Party” or collectively as the “Parties”.

**WHEREAS**, Section 5, Modification of Agreement, of the Agreement provides that any amendment to the Agreement shall be in writing executed by the Parties thereto;

**WHEREAS** the Agreement was previously amended on **April 7, 2023, April 14, 2024**; and

**WHEREAS** the Parties wish to amend the Agreement as set forth herein.

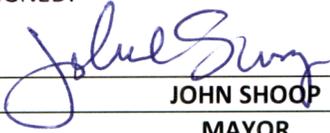
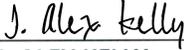
**NOW THEREFORE**, in consideration of the mutual covenants and obligations set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to the following:

1. **Attachment A, Project Description and Deliverables**, is hereby deleted in its entirety and replaced with the attached revised Attachment A.
  
2. All other terms and conditions remain in effect.

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Commerce Agreement Number: MT056

**IN WITNESS HEREOF**, by signature below, the Parties agree to abide by the terms, conditions, and provisions of Commerce Agreement Number **MT056**, as amended. This Amendment is effective on the date the last Party signs this Amendment.

CITY OF SEBRING, FLORIDA	FLORIDA DEPARTMENT OF COMMERCE
SIGNED: 	SIGNED: 
JOHN SHOOP MAYOR	J. ALEX KELLY SECRETARY
DATE: 6/27/2025	DATE: 7/1/2025

Approved as to form and legal sufficiency, subject only to full and proper execution by the Parties.

**OFFICE OF GENERAL COUNSEL  
FLORIDA DEPARTMENT OF COMMERCE**

By: Ryan Bourgoin

Approved Date: 6/30/2025

## Attachment A – Project Description and Deliverables

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1. **PROGRAM DESCRIPTION:** In April 2018, the U.S. Department of Housing and Urban Development (HUD) announced Commerce would receive \$633,485,000.00 in funding to support long-term mitigation efforts following declared disasters in 2016 and 2017 through HUD's Community Development Block Grant Mitigation (CDBG-MIT) program. Awards were distributed on a competitive basis targeting HUD designated Most Impacted and Distressed (MID) Areas, primarily addressing the Benefits to Low-to-Moderate Income (LMI) National Objective. Additional information may be found in the Federal Register, Vol. 84, No. 169.

Commerce has apportioned the Federal Award to include the following initiatives: Critical Facility Hardening Program \$75,000,000; General Planning Support Program \$20,000,000; General Infrastructure Program \$475,000,000 and State Planning and Administration \$63,485,000.

This award has been granted under the **General Infrastructure Program (GIP)**. Projects eligible for, but not limited to, funding under this program are infrastructure investments related to the following:

- Restoration of critical infrastructure
- Re-nourishment of protective coastal dune systems and state beaches
- Building or fortifying buildings that are essential to the health, safety and welfare of a community
- Rehabilitation or construction of stormwater management systems
- Improvements to drainage facilities
- Reconstruction of lift stations and sewage treatment plants
- Road repair and improvement and bridge strengthening

2. **PROJECT DESCRIPTION:** The City of Sebring, Florida has been awarded **Three Million, Five Hundred Fifteen Thousand, Two Hundred Eighty Dollars and Zero Cents (\$3,515,280.00)** in CDBG-MIT funding for mitigation efforts to restore and improve facilities that are part of the city's sanitary sewer collection system. The purpose of the project is to harden the city's sanitary sewer collection system to increase resiliency of the system, mitigate infiltration and inflow of stormwater into sewer lines, ensure continuity of services, increase resiliency of community and fortify community lifelines. The City of Sebring Sanitary Sewer System project will meet the LMI national objective as 66.6% of the population within the area of benefit consists of low to moderate income residents. The mitigation activities consist of either lining or replacement of 11,125 linear feet of gravity sanitary sewer line and lining sixty-four (64) manholes and the replacement of seven (7) manholes. There are no leveraged or matching funds included in this project. The team overseeing this project consists of the City Administrator, City Building Official, Assistant City Administrator, Police Chief and selected contractor(s).

### 3. SUBRECIPIENT RESPONSIBILITIES:

- A. Complete and submit the below items to Commerce within thirty (30) calendar days of execution of the agreement:
1. Organizational chart with contact information.
  2. Job descriptions for Subrecipient's employees, contracted staff, vendors, and contractors. If staffing changes, there must be a submittal stating the names and job descriptions on the monthly report deadline.

3. Attachment B, Project Budget – Develop and submit to Commerce a detailed budget for implementation of the project.
4. Attachment C, Activity Work Plan – Develop and submit to Commerce a detailed timeline for implementation consistent with the milestones outlined in the Mitigation Program Guidelines.

Should any changes to the organizational chart, Attachment B or Attachment C be deemed necessary, an updated plan must be submitted to Commerce with your monthly report for review and approval by the Commerce Grant Manager.

- B. Develop and submit a copy of the following policies and procedures to the Commerce Grant Manager for review and approval within thirty (30) calendar days of Agreement execution. The Commerce Grant Manager will provide approval in writing prior to the policies and procedures being implemented.
    - a. Procurement policies and procedures that incorporate 2 CFR 200.317-327.
    - b. Administrative financial management policies, which must comply with all applicable HUD CDBG-MIT and State of Florida rules.
    - c. Quality assurance and quality control system policies and procedures that comply with all applicable HUD CDGB-MIT and Commerce policies.
    - d. Policies and procedures to detect and prevent fraud, waste and abuse that describe how the subrecipient will verify the accuracy of monitoring policy indicating how and why monitoring is conducted, the frequency of monitoring policy, and which items will be monitored, and procedures for referring instances of fraud, waste and abuse to HUD IOG Fraud Hotline (phone: 1-800-347-3735 or email [hotline@hudoig.gov](mailto:hotline@hudoig.gov)).
  - C. Attend fraud related training offered by HUD OIG to assist in the proper management of the CDBG-MIT grant funds when available.
  - D. Upload required documents into a system of record provided by Commerce.
  - E. Maintain organized subrecipient agreement files and make them accessible to Commerce or its representatives, upon request.
  - F. Comply with all terms and conditions of the subrecipient agreement, Mitigation Program Guidelines, Action Plans, Action Plan amendments, and Federal, State, and local laws.
  - G. Provide copies of all proposed procurement documents to Commerce ten (10) business days prior to posting as detailed in Attachment D of Subrecipient Agreement. The proposed procurement documents will be reviewed and approved by the Commerce Grant Manager. Should the procurement documents require revisions based on state or federal requirements, Subrecipient will be required to postpone procurement and submit revised documents for review and approval.
  - H. Provide the following information on a quarterly basis within ten (10) calendar days after the end of each quarter: Monthly and Quarterly Reports as detailed in Attachment G.
  - I. Close out report will be due no later than sixty (60) calendar days after this Agreement ends or is otherwise terminated.
  - J. Subrecipient shall provide pictures to document progress and completion of tasks and final project.
4. **ELIGIBLE TASKS AND DELIVERABLES:**
- A. **Deliverable 1 – Project Implementation**  
Tasks that are eligible for reimbursement are as follows:

1. Contract a grant manager to attend meetings to provide progress reports on subgrant activities; prepare documentation for and attend monitoring visits by Commerce; prepare request for funds for submission; prepare subgrant modification documents; prepare administrative closeout report; among other required activities to implement the project.
2. Review and submit document "Environmental Review for Activity/Project that is Exempt or Categorically Excluded Not Subject to Section 58.5 Pursuant to 24 CFR Part 58.34(a) and 58.35(b)".
3. Purchase permits required.

**B. Deliverable 2 – Engineering Services**

Subrecipient shall:

1. Contracted engineer shall complete the Design and Bid Drawings with technical specification and drawings showing extent of project reporting at 30%, 60%, 90% design and final, surveys, testing and permitting, and submit to the City.
2. Complete environmental review/assessment in accordance with 24 CFR Part 58.

**C. Deliverable 3 – Construction**

Subrecipient shall hire Florida licensed contractor to:

1. Construction to include the lining or replacement of approximately 11,125 linear feet of gravity sanitary sewer line. The lining/replacement of approximately of seventy-one (71) manholes. Work includes debris removal, mobilization, bonds and insurance, maintenance of traffic, and associated restoration within the work areas of:
  - a. Glenwood Avenue (from Fairview Road to Maple Avenue)
  - b. Helena Avenue and Lee Avenue (from Shirley St to N Ridgewood Dr/SR 17)
  - c. S Ridgewood Dr/SR 17 (from S Wall St to Magnolia Ave)
  - d. Magnolia Ave (from S Ridgewood Dr to S Pine St)
  - e. S Pine St (from Magnolia Ave to E Center Ave)
  - f. S Wall St (from S Ridgewood Dr to E Center Ave)
  - g. S Commerce Ave (from S Wall St to S Pine St)
  - h. Rose Ave and S Mango St (from S Mango St to S Pine St)
  - i. E Center Ave (from N Wall St to N Pine St)
  - j. N Pine St (From E Center Ave to Pomegranate Ave)
  - k. Alley A and N Mango St (from N Wall St to N Pine St)
  - l. Alley B and N Wall St (from N Wall St to N Pine St)
  - m. Wall St (from S Ridgewood Dr to N Commerce Ave)
  - n. Hickory Street (from Persimmon Ave to Poinsette Ave)
  - o. Jasmine Way and Lakeview Dr/SR 17 (from Emerson Ave N to Jasmine Way)
2. Contracted engineer shall assist the City with the construction contract, observe work completed, review draw request, approve draw request and coordinate any change orders required.
3. Contracted grant manager to maintain financial records related to project activities, including all federal requirements during construction activities; Maintain project files.

**5. DELIVERABLES:**

Subrecipient agrees to provide the following services as specified:

<b>Deliverable No. 1 – Program Implementation</b>		
<b>Tasks</b>	<b>Minimum Level of Service</b>	<b>Financial Consequences</b>
Subrecipient shall provide project implementation activities as identified in Section 4.A. of this Scope of Work.	Subrecipient may request reimbursement upon completion of a minimum of one (1) Project Implementation task on a per completed task basis as detailed in Section 4.A, Attachment A – Project Description and Deliverables; evidenced by invoice(s) noting completed tasks as well as payroll and other supporting documentation, as applicable. Invoice package accordance with Section 7 of this Scope of Work.	Failure to complete the Minimum Level of Service as specified shall result in non-payment for this deliverable for each payment request.
		<b>Deliverable No. 1 Cost: \$139,900.00</b>
<b>Deliverable No. 2 – Engineering Services</b>		
<b>Tasks</b>	<b>Minimum Level of Service</b>	<b>Financial Consequences</b>
Subrecipient shall complete task as detailed in Section 4.B. of this Scope of Work	Subrecipient may request reimbursement upon completion of a minimum of one (1) task in accordance with Section 4.B of this Scope of Work, evidenced by submittal of the following documentation: 1) Final engineering drawings, specifications, bid drawings, cost estimates, surveys and project milestones at 30%, 60%, 90% and completion; 2) Copies of all required permits, if applicable; and 3) Invoice package in accordance with Section 7 of this Scope of Work.	Failure to complete the Minimum Level of Service as specified shall result in non-payment for this deliverable for each payment request.
		<b>Deliverable No. 2 Cost: \$251,500.00</b>
<b>Deliverable No. 3 - Construction</b>		
<b>Tasks</b>	<b>Minimum Level of Service</b>	<b>Financial Consequences</b>
Subrecipient shall complete task as detailed in Section 4.C of this Scope of Work	Subrecipient may request reimbursement upon completion of activities in accordance with Section 4.C of this Scope of Work in the following increments: 10%, 20%, 30%, 40%, 50%, 60%, 70%, 80%, 90%, and 100%, evidenced by	Failure to complete the Minimum Level of Service as specified shall result in non-payment for this deliverable for each payment request.

	submittal of the following documentation: 1) AIA forms G702 and G703, or similar accepted Commerce form, completed by a licensed professional certifying to the percentage of project completion; 2) Photographs of project in progress and completed; and 3) Invoice package in accordance with Section 7 of this Scope of Work.	
		<b>Total Deliverable 3 Cost: \$3,123,880.00</b>
<b>TOTAL PROJECT COST NOT TO EXCEED \$3,515,280.00</b>		

**COST SHIFTING:** The deliverable amounts specified within the Eligible Tasks and Deliverables section 5 tables above are established based on the Parties estimation of sufficient delivery of services fulfilling grant purposes under the Agreement in order to designate payment points during the Agreement Period; however, this is not intended to restrict Commerce’s ability to approve and reimburse allowable costs Subrecipient incurred providing the deliverables herein. Prior written approval from Commerce’s Grant Manager is required for changes to the above Deliverable amounts that do not exceed **10%** of each deliverable total funding amount. Changes that exceed **10%** of each deliverable total funding amount will require a formal written amendment request from Subrecipient, as described in **Modification** section of the Agreement. Regardless, in no event shall Commerce reimburse costs of more than the total amount of this Agreement.

**6. COMMERCE RESPONSIBILITIES:**

- A. Monitor the ongoing activities of Subrecipient to ensure all activities are being performed in accordance with the Agreement to the extent required by law or deemed necessary by Commerce in its discretion.
- B. Assign a Grant Manager as a point of contact for Subrecipient.
- C. Review Subrecipient’s invoices described herein and process them on a timely basis.
- D. Commerce shall monitor progress, review reports, conduct site visits, as Commerce determines necessary at Commerce’s sole and absolute discretion, and process payments to Subrecipient.

**7. INVOICE SUBMITTAL:**

Commerce shall reimburse the Subrecipient in accordance with Section 5, above. In accordance with the Funding Requirements of s. 215.971(1), F.S. and Section (21) of this Agreement, the Subrecipient and its subcontractors may only expend funding under this Agreement for allowable costs resulting from obligations incurred during this Agreement. To be eligible for reimbursement, costs must be in compliance with laws, rules and regulations applicable to expenditures of State funds, including, but not limited to, the Reference Guide for State Expenditures (<https://www.myfloridacfo.com/docs-sf/accounting-and-auditing-libraries/state-agencies/reference-guide-for-state-expenditures.pdf>).

- A. Subrecipient is allowed to submit multiple invoices per month for services rendered during the applicable period of time as defined in the deliverable table. In any month no deliverable has been completed, the subrecipient will provide notice that no invoicing will be submitted.
- B. The following documents shall be submitted with the itemized invoice:
  - 1. A cover letter signed by Subrecipient's Agreement Manager certifying that the costs being claimed in the invoice package: (1) are specifically for the project represented to the State in the budget appropriation; (2) are for one or more of the components as stated in Section 5, DELIVERABLES, of this SCOPE OF WORK; (3) have been paid; and (4) were incurred during this Agreement.
  - 2. Subrecipient's invoices shall include the date, period in which work was performed, amount of reimbursement, and work completed to date;
  - 3. A certification by a licensed professional using AIA forms G702 and G703, or their substantive equivalents, certifying that the project, or a quantifiable portion of the project, is complete. Include if applicable to your program
  - 4. Photographs of the project in progress and completed work;
  - 5. A copy of all supporting documentation for vendor payments; and
  - 6. A copy of the bank statement that includes the cancelled check or evidence of electronic funds transfer. The State may require any other information from Subrecipient that the State deems necessary to verify that the services have been rendered under this Agreement.
- C. If the Subrecipient is a county or municipality that is a rural community or rural area of opportunity as those terms are defined in section 288.0656(2), F.S., the payment of submitted invoices may be issued for verified and eligible performance that has been completed in accordance with the terms and conditions set forth in this Agreement to the extent that federal or state law, rule, or other regulations allows such payments. Upon meeting either of the criteria set forth below, the subrecipient may elect in writing to exercise this provision.
  - 1. A county or municipality that is a rural community or rural area of opportunity as those terms are defined in section 288.0656(2), F.S., that demonstrates financial hardship; or
  - 2. A county or municipality that is a rural community or rural area of opportunity as those terms are defined in section 288.0656(2), F.S., and which is located in a fiscally constrained county, as defined in section 218.67(1), F.S. If the Subrecipient meets the criteria set forth in this paragraph, then the Subrecipient is deemed to have demonstrated financial hardship.
- D. The Subrecipient's invoice and all documentation necessary to support payment requests must be submitted into Commerce's Subrecipient Enterprise Resource Application (SERA). Further instruction on SERA invoicing and reporting, along with a copy of the invoice template, will be provided upon execution of the agreement.