

COUNTY OF SAN DIEGO
CORONAVIRUS RELIEF FUND
SUBGRANT

This subgrant agreement (“Agreement”) is entered into between the County of San Diego, a political subdivision of the State of California (“County”) and City of Chula Vista, (“Grantee”) effective as of May 19, 2020.

WHEREAS, the County has received an allocation from the Coronavirus Relief Fund (“CRF”) established under Title V, Section 5001 of the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act;

WHEREAS, CRF funding may only be used to cover costs that:

- (1) are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
- (2) were not accounted for in the budget most recently approved as of March 27, 2020; and
- (3) were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020;

such costs to be referred to herein as “Eligible Expenditures;”

WHEREAS, the County may allocate CRF funding to cities as long as cities spend the funding in accordance with the CARES Act and only for Eligible Expenditures;

WHEREAS, the County finds it necessary to provide financial assistance to cities within the County’s geographical boundaries due to the public health emergency with respect to COVID-19 and that such assistance is an eligible expense under the CARES Act;

WHEREAS, on May 19, 2020, the Board of Supervisors allocated funding for the purposes set forth in this Agreement and authorized the execution of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises contained herein and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County and Grantee agree as follows:

1. Amount of Grant. The County shall pay to Grantee an amount of \$4,842,695 in accordance with the terms of this Agreement.
2. Purpose of Grant. Grantee shall use the funds solely for Eligible Expenses and in accordance with the terms set forth in this Agreement.
3. Deadline for Use of Grant Funds. Grantee shall have until September 30, 2020 to expend funds under this Agreement and/or return any unexpended funds to County.
4. Reports and Documentation of Expenditures.
 - (a) Prior to County’s disbursement of funds under this Agreement, Grantee shall deliver to County a report detailing Grantee’s anticipated use of the funds.

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- (b) On July 31, 2020, Grantee shall deliver to County a report detailing Grantee's expenditure of funds to date and Grantee's anticipated use of any remaining funds.
- (c) County reserves the right to withhold or reduce funding under this Agreement if County determines, in its sole discretion, that any or all of Grantee's anticipated use of funds is ineligible for CRF funding.
- (d) On September 30, 2020, or on the effective date of termination of this Agreement if terminated earlier, Grantee shall deliver to County a report along with supporting documentation detailing Grantee's expenditure of funds to date and Grantee shall deliver to County all unexpended funds.
5. Disallowance. If County determines that any amount of Grantee's expenditures under this Agreement lacks the required documentation or is ineligible for CRF funding, Grantee shall refund such amount to the County within fifteen (15) days of County's written request.
6. Subsequent Funding. Notwithstanding anything to the contrary contained herein, if Grantee is awarded direct federal funding to address COVID-19-related impacts, Grantee shall refund to County within ten (10) days of Grantee's receipt of such federal funding the lesser of (a) the funds paid to Grantee under this Agreement and (b) the federal funds awarded to Grantee.
7. Compliance with Laws. Grantee shall comply with all applicable federal, State, and local laws, ordinances, and regulations, including, without limitation, requirements regarding the use grant funds under the CARES Act that are in effect as of the effective date of this Agreement and that may later be enacted or promulgated. Without limiting the foregoing, Grantee shall comply with all applicable federal requirements set forth in Exhibit A, Federal Requirements, attached hereto.
8. Agreement Administration. The individuals listed below shall administer this Agreement on behalf of the County and Grantee. All communications between Grantee and the County shall be sent to the individuals listed below.

County of San Diego	City of Chula Vista
Ebony Shelton Director, Office of Financial Planning 1600 Pacific Highway, Room 352, San Diego, CA 92101 (619) 531-5177 ebony.shelton@sdcounty.ca.gov	Maria Kachadoorian City Manager 276 Fourth Avenue, Chula Vista, CA 91910 (619) 691-5031 mkachadoorian@ci.chula-vista.ca.us citymanager@chulavistaca.gov

9. Audit and Inspection of Records. At any time during normal business hours, the Grantee shall make available to the County for examination all of its records with respect to all matters covered by this Agreement and will permit the County to audit, examine and make excerpts or transcripts from such records, and make audits of all invoices, materials, payrolls, records of personnel and other data relating to all matters covered by this Agreement. Unless

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otherwise specified by the County, said records shall be made available for examination within San Diego County. Grantee shall maintain such records in an accessible location and condition for a period of not less than four years following Grantee's submission of the final report required to be submitted under this Agreement unless County agrees in writing to an earlier disposition. The State of California and any federal agency having an interest in the subject of this Agreement shall have the same rights conferred upon County by this Agreement.

10. Termination of Agreement.

(a) Termination for Convenience.

The County may, by written notice to Grantee stating the extent and effective date, terminate this Agreement for convenience in whole or in part, at any time. Within five (5) days of such termination, Grantee shall return to County any unexpended funds paid to it under this Agreement.

(b) Termination for Default.

If Grantee fails to perform its obligations under this Agreement, the County may send Grantee a written notice of default that specifies the nature of the default. Grantee shall cure the default within five (5) business days following receipt of the notice of default, or within such additional time to which County may agree. If Grantee fails to cure the default within that time, the County may terminate this Agreement by giving Grantee written notice of immediate termination. The County may also seek any and all legal and equitable remedies against Grantee for breaching this Agreement.

11. Independent Capacity. In the performance of this Agreement, Grantee and its officers, agents, employees and volunteers shall act in an independent capacity and not as officers, employees, agents or volunteers of the County. This Agreement does not create an employment relationship between Grantee and the County.

12. Defense and Indemnity. To the fullest extent permitted by law, County shall not be liable for, and Grantee shall defend and indemnify County and its officers, agents, employees and volunteers (collectively, "County Parties") against any and all claims, deductibles, self-insured retention's, demands, liability, judgments, awards, fines, mechanics' liens or other liens, labor disputes, losses, damages, expenses, charges or costs of any kind or character, including attorneys' fees and court costs (collectively, "Claims"), which arise out of or are in any way connected to County's provision of grant funds and/or Grantee's use of grant funds under this Agreement arising either directly or indirectly from any act, error, omission or negligence of Grantee or its officers, employees, volunteers, agents, contractors, licensees or servants, including without limitation, Claims caused by the sole passive negligent act or the concurrent negligent act, error or omission, whether active or passive, of County Parties. Grantee shall have no obligation, however, to defend or indemnify County Parties from a

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Claim if it is determined by a court of competent jurisdiction that such Claim was caused by the sole active negligent act or willful misconduct of County Parties.

For avoidance of doubt, and without limitation, the defense and indemnity obligations set forth in this Paragraph 12 shall specifically apply to any actions against the County by a federal agency to disallow funds or otherwise enforce compliance under the CARES Act or other federal requirements.

13. Governing Law. This Agreement shall be construed and interpreted according to the laws of the State of California.
14. Assignment. Grantee may not assign or transfer any interest in this Agreement (whether by assignment or novation), without the prior written consent of the County.
15. Entire Agreement. This Agreement constitutes the entire agreement between Grantee and County regarding the subject matter contained herein. All other representations, oral or written, are superseded by this Agreement. Neither party is relying on any representation outside of this Agreement. This Agreement may be changed only by written amendment signed by County and Grantee.
16. Waiver. The failure of one party to enforce any term, covenant or condition of this Agreement shall not be construed as a waiver of that party's right to subsequently enforce this, or any other term, covenant or condition of this Agreement. No waiver shall be deemed effective unless the waiver is expressly stated in writing and signed by the party waiving the right or benefit.
17. Survival. Unless otherwise specified herein, all terms and conditions of this Agreement shall survive the expiration of this Agreement.
18. Remedies. The rights and remedies in this Agreement are in addition to, and not a limitation on, all other rights and remedies available at law or in equity, and exercise of one right or remedy shall not be deemed a waiver of any other right or remedy.
19. Recognition. If Grantee chooses to give written recognition of this grant Grantee shall recognize the County of San Diego and not one or more individual County Supervisors.
20. Counterparts. This Agreement may be executed in counterparts, and each counterpart shall constitute one agreement binding on all parties hereto, notwithstanding that all of the parties are not signatory to an original or same counterpart. The parties agree that signatures transmitted electronically via pdf attachment shall be binding as if they were original signatures.

IN WITNESS WHEREOF, the parties execute this Agreement effective on the date first written above.

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CITY OF CHULA VISTA

By: _____
Ebony Shelton, Director, Office of Financial
Planning

By: _____
Maria Kachadoorian, City of Chula Vista

Date: _____

Date: _____

Approved as to form and legality
County Counsel

By: _____
Shiri Hoffman, Senior Deputy

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EXHIBIT A – FEDERAL REQUIREMENTS

Grantee shall comply with all applicable requirements associated with the CARES Act Coronavirus Relief Fund. Grantee shall also comply with all applicable requirements of 2 CFR Part 200, UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS, including, without limitation, the following:

1. DEBARMENT AND SUSPENSION.

- (a) This Agreement is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such, Grantee is required to verify that none of their principals (defined at 2 C.F.R. § 180.995) or affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).
- (b) Grantee must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, and must include a requirement to comply with these regulations in any lower tier covered transaction they enter into.
- (c) This certification is a material representation of fact relied upon by County. If it is later determined that Grantee did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to County, the federal government may pursue available remedies, including but not limited to suspension and/or debarment.

2. SINGLE AUDIT. Grantee shall comply with the Single Audit requirements of 2 CFR Part 200.501, et seq.

3. COMPLIANCE WITH FEDERAL LAW, REGULATIONS, AND EXECUTIVE ORDERS. This is an acknowledgement that federal funding under the CARES Act is used to fund this Agreement. Grantee will comply with all applicable federal law, regulations, executive orders, policies, procedures, and directives.

4. NO OBLIGATION BY FEDERAL GOVERNMENT. The federal government is not a party to this Agreement and is not subject to any obligations or liabilities to the County or Grantee, or any other party pertaining to any matter resulting from the Agreement.

5. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS. Grantee acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to Grantee's actions pertaining to this Agreement.