

**CORONAVIRUS STATE LOCAL FISCAL RECOVERY FUNDS  
AMENDMENT NO. 2 TO SUBRECIPIENT AGREEMENT**

This Amendment No. 2 to Subrecipient Agreement (“Amendment No. 2”) is dated April 23, 2024 and is between Tranquillity Public Utility District, a special district in the County of Fresno formed under Division 7 of the Public Utilities Code, with a mailing address of P.O. Box 622, Tranquillity, CA 93668 (“Subrecipient”), and the County of Fresno, a political subdivision of the State of California (“County”).

**Recitals**

A. On March 11, 2021, the President signed into law the American Rescue Plan Act of 2021 (“ARPA”) which established the Coronavirus State and Local Fiscal Recovery Funds (“SLFRF”) Program.

B. The ARPA authorizes the County to expend SLFRF awarded to the County for certain eligible purposes, including to make necessary investments in water and sewer infrastructure.

C. On August 9, 2022, the County and the Subrecipient entered into County agreement number 22-338 (“Agreement”), with a compensation amount of \$661,500, to fund the design, surveying and engineering, environmental review, and purchase of two new lift station pumps, and wet well coating to rehabilitate the Lincoln Avenue Lift Station and repair the Silveria Street Lift Station, which are critical components of the Subrecipient’s wastewater treatment system, and make necessary investments in sewer infrastructure to comply with the Central Valley Regional Water Quality Control Board’s mandates for wastewater treatment systems and to maintain adequate service levels, and improve the operation of the wastewater treatment system that serves the Disadvantaged Community of Tranquillity, which SUBRECIPIENT represents is an eligible use under CWSRF (“Program”).

D. On March 14, 2023, the County and the Subrecipient entered the First Amendment to the Agreement (Agreement No. 23-100), which increased the maximum grant funding to a total of \$675,000 to implement the Program, due to increases in material costs, supply-chain disruptions, and an increasingly tight labor market that increased the costs for the Subrecipient to implement the Program.

E. The Subrecipient represents that since the approval of the First Amendment to the Agreement, sewer rehabilitation plans have been prepared and the Subrecipient announced and solicited bids from

1 qualified contractors for the construction of the sewer improvements. Subrecipient represents that the  
2 bids that it received were significantly higher than anticipated, and Subrecipient does not have additional  
3 funds to address its construction deficit. On February 26, 2024, the Subrecipient rejected all the bids it  
4 received and directed its staff to restructure the design plans and contract, prioritize specific  
5 improvements, and re-solicit bids for the construction of the project.

6 F. The Subrecipient requests a revision to the Expenditure Plan to shift funding availability to help  
7 offset anticipated construction costs. The Subrecipient represents that the Revised Table 1-1 of Exhibit  
8 B proposes a change in the distribution of the allocated funds from the specific lift station locations (No. 1  
9 Silveria Street and No. 2 Lincoln Avenue) to combine construction costs such as replacing pumps and  
10 emergency generators, which will ensure the Subrecipient can maximize and fully expend SLFRF funds  
11 for the implementation of the Program.

12 G. The Subrecipient represents that the Program would also benefit from a revised Modification  
13 Clause within the Agreement which would reduce the Subrecipient's administrative burden to recover  
14 allowable costs by moving available funds from one category to another, if needed, to provide flexibility  
15 in cost recovery as the program nears the completion of its contracted term.

16 H. The County and the Subrecipient now desire to amend the Agreement to revise the Program's  
17 expenditure plan and allow the County Administrative Officer or designee to approve minor budgetary  
18 modifications as needed and appropriate.

19 The parties therefore agree as follows:

20 1. This Amendment No. 2 shall be retroactive to the Effective Date of the Agreement, August 9,  
21 2022.

22 2. All references to "Revised Exhibit B" in Amendment No. 1 of the Agreement and all references to  
23 Exhibit B in the Agreement shall be amended and referred to as "Revised Exhibit B-1." The Revised  
24 Exhibit B-1 and Table 1-1 are attached to this Amendment No. 2 and incorporated by this reference.

25 3. A portion of Subsection A of Section 13, Grant Funding/Compensation of the Agreement located  
26 on page 16, starting on line 27 through page 17, line 4, is deleted, and replaced with the following:

27 "Subrecipient shall submit documentation to the County of Fresno, County Administrative  
28 Office located at 2281 Tulare, Room 304, Fresno, CA 93721, or electronically, to e-mail

1 address [fresnocoao@fresnocountyca.gov](mailto:fresnocoao@fresnocountyca.gov). Payment by County shall be in arrears for  
2 services provided during the preceding period of time, within forty-five (45) days from  
3 date of receipt, verification, and approval of Subrecipient's invoice and supporting  
4 documentation by County. Requests for advancement of funds for anticipated eligible  
5 expenditures shall also be accompanied by a written certification from the Subrecipient  
6 consistent with the amount of work scheduled to be performed or materials to be  
7 purchased with the amount of funding being requested from the County, and that the  
8 payment request is in accordance with the Program, Table 1-1 of Revised Exhibit B of  
9 this Agreement. After appropriate review and inspection of the payment request for  
10 advanced funding, the County shall make the payment available to Subrecipient, less any  
11 amounts outstanding for which prior advanced funds have not been fully expended or  
12 accounted with supporting documentation. If Subrecipient fails to comply with any  
13 provision of this Agreement, County shall be relieved of its obligations for further  
14 compensation."

15 4. Section 15, Modification, of the Agreement, located on page 18, line 14 through line 16, is  
16 deleted in its entirety, and replaced with the following:

17 "Any matters of this Agreement may be modified from time to time by the written consent of all  
18 the parties without, in any way, affecting the remainder. Changes to line items, as set forth in  
19 Revised Exhibit B, that, when added together during the term of the Agreement do not exceed  
20 ten percent (10%) of the total maximum compensation payable to Subrecipient, may be made  
21 with the written approval of SUBRECIPIENT and County's Administrative Officer or designee.  
22 These modifications shall not result in any change to the maximum compensation amount  
23 payable to Subrecipient, as described in this Agreement."

24 5. When both parties have signed this Amendment No. 2, the Agreement, Amendment No. 1 and  
25 this Amendment No. 2 together constitute the Agreement.

26 6. The Subrecipient represents and warrants to the County that:

27 a. The Subrecipient is duly authorized and empowered to sign and perform its obligations under  
28 this Amendment No. 2.

1           b. The individual signing this Amendment No. 2 on behalf of the Subrecipient is duly authorized  
2           to do so and his or her signature on this Amendment No. 2 legally binds the Subrecipient to  
3           the terms of this Amendment No. 2.

4           7. The parties agree that this Amendment No. 2 may be executed by electronic signature as  
5 provided in this section.

6           a. An “electronic signature” means any symbol or process intended by an individual signing this  
7           Amendment No. 2 to represent their signature, including but not limited to (1) a digital  
8           signature; (2) a faxed version of an original handwritten signature; or (3) an electronically  
9           scanned and transmitted (for example by PDF document) version of an original handwritten  
10          signature.

11          b. Each electronic signature affixed or attached to this Amendment No. 2 is deemed equivalent  
12          to a valid original handwritten signature of the person signing this Amendment No. 2 for all  
13          purposes, including but not limited to evidentiary proof in any administrative or judicial  
14          proceeding, and (2) has the same force and effect as the valid original handwritten signature  
15          of that person.

16          c. The provisions of this section satisfy the requirements of Civil Code section 1633.5,  
17          subdivision (b), in the Uniform Electronic Transaction Act (Civil Code, Division 3, Part 2, Title  
18          2.5, beginning with section 1633.1).

19          d. Each party using a digital signature represents that it has undertaken and satisfied the  
20          requirements of Government Code section 16.5, subdivision (a), paragraphs (1) through (5),  
21          and agrees that each other party may rely upon that representation.

22          e. This Amendment is not conditioned upon the parties conducting the transactions under it by  
23          electronic means and either party may sign this Amendment with an original handwritten  
24          signature.

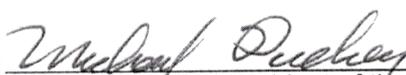
25          8. This Amendment No. 2 may be signed in counterparts, each of which is an original, and all of  
26 which together constitute this Amendment No. 2.

27          9. The Agreement as amended by this Amendment No. 2 is ratified and continued. All provisions of  
28 the Agreement and not amended by this Amendment No. 2 remain in full force and effect.

1 The parties are signing this Amendment No. 2 on the date stated in the introductory clause.

2 Subrecipient

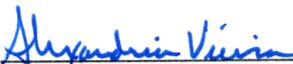
County of Fresno

3  
4   
5 Michael Pucheu, President of the District  
6 Board of Directors of the Tranquillity Public  
Utility District

  
Nathan Magsig, Chairman of the Board of  
Supervisors of the County of Fresno

7 Mailin Address:  
8 P.O. Box 622  
9 Tranquillity, CA 93688

**Attest:**  
Bernice E. Seidel  
Clerk of the Board of Supervisors  
County of Fresno, State of California

10 By:   
11 Deputy

12 For accounting use only:  
13 Fund: 0026  
14 Subclass No. 91021  
15 Org.: 1033  
16 Account No.: 7845

1 **Revised Exhibit B-1**

2 Subrecipient Expenditure Plan

3 Subrecipient shall provide to County drawdown requests for payments for eligible expenses to  
4 complete the Program. In the first thirty (30) days following August 9, 2022, Subrecipient may make a  
5 drawdown request to the County to cover eligible expenditures in support of the Program. Drawdown  
6 requests shall be made on a 60-day basis thereafter. The Program is anticipated to be completed by  
7 June 2026. Subrecipient shall use the Drawdown Request Form to submit detailed drawdown requests  
8 for eligible expenses and include purchase orders, receipts, and reimbursement requests, detailing  
9 items purchased, and expenses incurred or anticipated to be incurred in support of the Program as  
10 represented in Table 1-1, below.

11  
12 Table 1-1, Revised Expenditure Plan

13

<b>Sewer Lift Station Improvements, Silveria Street and Lincoln Avenue</b>	<b>Estimated Cost</b>
<i>Construction, Replacing Pumps</i>	<i>\$700,000.00</i>
<i>Power Source, Emergency Generators</i>	<i>\$260,000.00</i>
<i>Construction Administration</i>	<i>\$50,000.00</i>
<i>Grant Administration</i>	<i>\$ 12,000.00</i>
<i>Contingency</i>	<i>\$ 84,000.00</i>
<i>Professional Services: Surveying, Design Engineering, and Environmental</i>	<i>\$75,000.00</i>
<b>Project Total</b>	<b>\$1,181,000.00</b>

14  
15  
16  
17  
18  
19 \*Grant will fund a portion of the estimated cost, see Section 13 of Agreement.

Revised Exhibit B-1  
Drawdown Request Form

Date:

County of Fresno  
ARPA - SLFRF Coordinator  
2281 Tulare Street, Room 304  
Fresno, CA 93721

**Subject: Drawdown Request for**

\_\_\_\_\_ **Subrecipient Program**

\_\_\_\_\_ **Subrecipient Name**

In accordance with the executed Agreement for the above-referenced Program, the [SUBRECIPIENT NAME] is requesting drawdown payment of \$ \_\_\_\_\_ in support of the Program.

The [SUBRECIPIENT NAME] certifies that this request for payment is consistent with the amount of work that has been completed to date, detailing items purchased, and expenses incurred or anticipated to be incurred in support of the Program in accordance with the Subrecipient Expenditure Plan (Revised Exhibit B, Table 1-1) documented in the executed Agreement, and as evidenced by the enclosed invoices and supporting documents.

**Payee**

**Invoice # / Contract #**

**Amount**

Sincerely,

[Subrecipient Officer]

[Subrecipient Name]

Enclosure(s)