

STATE OF ALABAMA)
COUNTY OF BALDWIN)

**RESOLUTION #2026-092
OF THE
BALDWIN COUNTY COMMISSION**

**APPROVING THE COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RECOVERY (CDBG-DR)
INFRASTRUCTURE POLICY MANUAL**

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) approved the Alabama Department of Economic and Community Affairs' (ADECA) 2022 Community Development Block Grant – Disaster Recovery (CDBG-DR) Action Plan for Disaster Recovery on January 12, 2023, with a substantial amendment approved on July 21, 2023, establishing the Local Recovery Planning Program (LRPP); and

WHEREAS, Baldwin County, Alabama, (the "County") has received an allocation of Community Development Block Grant – Disaster Recovery (CDBG-DR) grant funding from ADECA; and

WHEREAS, the Baldwin County Commission (the "Commission") entered into Subrecipient Agreement No. DR-21-001 with ADECA on October 17, 2023, concerning the CDBG-DR grant funding; and

WHEREAS, the Commission approved Amendment No. 1 to Subrecipient Agreement Number DR-21-001 between the Commission and ADECA, due to the approval of the Local Recovery Plan (LRP) on September 17, 2024; and

WHEREAS, the Commission approved Amendment No. 2 to Subrecipient Agreement Number DR-21-001 between the Commission and ADECA, which established the following implementation budget allocations: \$100,000.00 for Administration, \$19,169,010.00 for Housing Recovery Activities, and \$24,092,676.00 for Infrastructure Recovery Activities on July 1, 2025; and

WHEREAS, ADECA requires subrecipients to adopt an Infrastructure Policy Manual establishing the policies, procedures, and administrative requirements governing the use of CDBG-DR funds for eligible infrastructure activities; and

WHEREAS, the CDBG-DR Infrastructure Policy Manual provides guidance related to program eligibility, national objectives, procurement, financial management, environmental compliance, monitoring, reporting, and other requirements necessary to ensure proper stewardship of federal funds; and

WHEREAS, the Commission has reviewed the CDBG-DR Infrastructure Policy Manual and finds that its adoption is necessary for the effective and compliant administration of the Local Government Recovery Infrastructure Program (LGRIP) and the County Priority Infrastructure Program (CPIP); and

NOW, THEREFORE, BE IT RESOLVED BY THE BALDWIN COUNTY COMMISSION, that the CDBG-DR Infrastructure Policy Manual, a copy of which is attached as Exhibit "A" and incorporated herein by reference, is hereby **APPROVED**.

IN WITNESS WHEREOF, the Baldwin County Commission has caused this Resolution to be executed in its name and on its behalf by its Chairman on the 16th day of June 2026.



James E. Ball, Chairman
Baldwin County Commission

ATTEST:



Roger H. Rendleman
County Administrator





CDBG-DR Infrastructure Program Manual



June 2026

Version 1

Table of Contents

I.	Infrastructure Program Overview	5
a.	National Objective(s)	6
b.	Eligible Activities.....	7
c.	Program Funding.....	7
II.	Definitions	7
III.	Acronyms	9
IV.	Program Requirements	10
a.	LGRIP Implementation	10
i.	Project Selection Process	10
ii.	Project Agreement	10
d.	CPIP Implementation.....	11
i.	Project Selection Process	11
e.	Project Schedule/Timelines	11
i.	LGRIP Schedule/timelines	11
ii.	CPIP Schedules/Timelines.....	11
f.	Eligibility	12
i.	Eligibility Criteria	12
ii.	Tie-Back to Storm	12
iii.	Eligible Projects.....	14
g.	ADECA Project Review and Approval	15
h.	Mitigation Efforts.....	17
i.	Permitting & License.....	18
j.	Inspections	18
k.	Amendment and Change Orders Process	18
V.	Financial Management	19
a.	Allowable Costs.....	19
b.	Allocable Costs.....	19
c.	Unallowed or Ineligible Costs	19
d.	Budget Reconciliation.....	20
e.	Program Income.....	20
VI.	Reimbursement Request Process	20
a.	Submitting Invoices	21

b.	Required Documentation	21
c.	Review Process.....	22
d.	Payment timeline	22
VII.	Environmental Review	22
a.	Regulatory Requirements	23
b.	Choice Limiting Activity.....	23
c.	Project Review	24
i.	Environmental Assessment.....	24
ii.	Categorical Exemption/Exclusion	24
iii.	Project Activity Subject to 24 CFR 58	25
iv.	Project Activity Not Subject to 24 CFR 58.....	26
d.	Public Comment Period	27
e.	Environmental Review Approval.....	28
i.	Request for Release of Funds (RROF)	28
ii.	Authority to Use Grant Funds (AUGF).....	28
VIII.	Labor Standards and Section 3	29
a.	Davis-Bacon and Related Acts	29
i.	Davis Bacon Act	29
ii.	Bidding and Contract Requirements	29
iii.	Prevailing Wage Rate (Wage Decision).....	29
iv.	Copeland's Act's Anti-Kickback Provision.....	30
v.	Contract Work Hours and Safety Standards Act	30
vi.	Labor Officer Appointment.....	30
vii.	Construction Site Posting	30
viii.	Certified Payroll Report	31
ix.	Corrective Certified Payroll	32
x.	Restitution.....	32
xi.	Liquidated Damages	32
xii.	Unfound Workers	33
xiii.	Escrow Account.....	33
xiv.	Enforcement Reports.....	34
xv.	Force Account Labor	35
b.	Section 3	35
IX.	Duplication of Benefits (DOB).....	36

X.	Cross-Cutting Requirements	38
a.	Procurement & Contracting	38
i.	Procurement	38
ii.	Conflict of Interest and Confidentiality	39
iii.	Debarment and Suspension (SAM.gov Check).....	39
b.	Contract Management	40
i.	Oversight of Contractors	40
ii.	Contract Price	40
iii.	Required Contract Provisions	41
iv.	Performance Goals/Measures	41
c.	Uniform Relocation and Real Property Acquisition Act, as Amended.....	41
i.	Voluntary Acquisition	42
ii.	Involuntary Acquisition	43
iii.	Section 104(d).....	43
d.	Anti-Fraud Waste and Abuse.....	43
e.	Civil Rights	44
i.	Americans with Disabilities Act (Section 504 of the Housing and Community development Act, as amended).....	44
ii.	Civil Rights and Non-Discrimination	45
iii.	Equal Employment Opportunities	45
iv.	M/WBE Enterprises	46
XI.	Reporting.....	47
a.	Project Performance.....	47
b.	Section 3 Reporting	47
c.	4710 Semi-Annual Enforcement Report	48
XII.	Monitoring and Compliance	49
a.	Program and Financial Monitoring	49
b.	Performance Monitoring	50
XIII.	Closeout	50
XIV.	Record Management	50
XV.	Appendix	51
A.	Federal Compliance Requirements for CDBG-DR Funding & Applicability	51

I. Infrastructure Program Overview

The State of Alabama was awarded Community Development Block Grant – Disaster Recovery (CDBG-DR) funding from the U.S. Department of Housing and Urban Development (HUD) to support in the state's recovery from the 2020 Hurricanes, Sally and Zeta. As part of the state's damage and needs assessment, Baldwin County was identified as a most impacted and distressed area and was awarded \$43,361,686 through the [Alabama Department of Economic and Community Affairs \(ADECA\) CDBG-DR Action Plan](#). These funds are intended to address remaining recovery needs from the disasters by filling funding gaps or providing means to mitigate future impacts.

Baldwin County experienced two Category 2 hurricanes in 2020 that caused substantial damage to property and individuals and resulted in presidentially declared disasters for the state of Alabama.

Hurricane Sally (DR-4563) made landfall on September 16, 2020, near Gulf Shores, Alabama as a Category 2 hurricane. The storm produced over 30 inches of rain over southern Alabama and the Florida Panhandle, and maximum sustained wind speeds of 105 mph. High winds toppled trees, downed power lines, and damaged roofs, resulting in widespread power outages and structural damage. The storm surge and heavy rainfall associated with Hurricane Sally led to widespread flooding across Baldwin County. Coastal communities such as Gulf Shores and Orange Beach experienced significant inundation, with floodwaters damaging homes, roads, and businesses. Many areas experienced road closures and impassable streets due to flooding, debris, and washouts.

Hurricane Zeta (DR-4573) crossed southern Alabama on October 28 and 29, 2020, after making landfall in Louisiana. Hurricane Zeta was a Category 2 storm with maximum sustained winds of 110 mph and brought rainfall of 2-5 inches. The storm cut across the northern half of Baldwin County, causing widespread power outages and tree damage and flooding in agricultural areas.

Regarding infrastructure systems affected by Hurricanes Sally and Zeta, the County noted through its data collection and engagement that the greatest need for infrastructure recovery included improvements to roads, bridges, water control facilities (including wastewater treatment and drinking water treatment), public buildings, public utilities, and recreational facilities (including beaches, parks, and other recreational areas). The immediate recovery efforts were well-documented by initial FEMA PA project worksheets, and, as noted within the Unmet Needs and Mitigation Needs Assessments, were analyzed to assess the specific infrastructure impacts from Hurricanes Sally and Zeta.

Due to the substantial infrastructure recovery needs on both the local jurisdiction level and County-wide level, the County will administer two infrastructure programs:

1. *Local Government Recovery Infrastructure Program (LGRIP)*: A recipient awarded and implemented program.
2. *County Priority Infrastructure Program (CPIP)*: A program for the prioritization of the County's disaster recovery projects, which will be administered and implemented by the County.

a. National Objective(s)

In accordance with [24 CFR 570.483](#) and alternative requirements under the Federal Register allocation notices ([87 FR 6364](#) and [87 FR 31636](#), respectively) as prescribed by ADECA's Action Plan, the infrastructure programs LGRIP and CPIP will have activities which meet one of the following national objectives:

- Benefiting low- and moderate-income persons ("LMI national objective"):
 - **Area benefit activities** – An activity, the benefits of which are available to all the residents in a particular area, where at least 51 percent of the residents are low- and moderate-income persons.
 - 1) Such an area need not be coterminous with census tracts or other officially recognized boundaries but must be the entire area served by the activity.
 - 2) An activity that serves an area that is not primarily residential in character shall not qualify under this criterion.
 - 3) Other exceptions to area benefit determinations may apply as outlined in the Federal Register allocation notices.
 - Limited clientele activities – An activity which benefits a limited clientele, at least 51 percent of whom are low- and moderate-income persons.
- Activities designed to meet community development needs having a particular urgency ("Urgent Need national objective"):
 - As prescribed by the Federal Register allocation notices, the HUD Secretary has waived the urgent need national objective criteria in [section 104\(b\)\(3\) of the HCDA](#) and establishes alternative requirements for this national objective. Recipient activities using the urgent need national objective must meet all three criteria below:
 - 1) Describe why specific needs have a particular urgency, including how the existing conditions pose a serious and immediate threat to the health or welfare of the community.
 - 2) Identify each proposed activity that must utilize the urgent need national objective because a low- and moderate-income national objective cannot be utilized.
 - 3) Document how each activity funded under the urgent need national objective responds to the urgency, type, scale, and location of the disaster-related impact as described within this [Local Recovery Plan](#).

No more than thirty percent (30%) of the total grant from ADECA may be allocated to projects qualifying under the Urgent Need national objective. Accordingly, the County will prioritize projects that meet the Low- and Moderate-Income (LMI) national objective over those qualifying as Urgent Need, consistent with ADECA's Action Plan and the Baldwin County Local Recovery Plan.

Any project proposed under the Urgent Need national objective must be supported by documentation that directly aligns with the County's Unmet Needs Assessment. Infrastructure activities may qualify under the Urgent Need national objective when they are located within

County areas impacted by Hurricanes Sally and Zeta, as identified in the Unmet Needs Assessment.

b. Eligible Activities

Infrastructure repair and improvements are considered an eligible activity in accordance with [42 USC 5305\(a\)\(2\)](#) and [Section 105\(a\)\(2\)](#) – Construction/reconstruction of public facilities and improvements – of the Housing and Community Development Act of 1968 (“HCDA”), which authorizes the acquisition, construction, reconstruction, or installation (including design features and improvements with respect to such construction, reconstruction, or installation that promote energy efficiency) of public works, facilities (except for buildings for the general conduct of government), and site or other improvements.

c. Program Funding

The County has determined that it will allocate \$24,092,676 towards infrastructure improvements throughout the County. A portion of the funds (approximately 40 percent) are provided to priority projects directly managed by the County and County departments under the CPIP. The majority of the funds will be allocated towards recipients who show capacity to manage federally funded infrastructure recovery projects through the LGRIP.

Program	Funding Level
Local Government Recovery Program (LGRIP)	\$13,371,303
<i>Project Allocation</i>	<i>\$12,034,173</i>
<i>Activity Delivery Costs</i>	<i>\$1,337,130</i>
County Priority Program (CPIP)	\$10,721,373
<i>Project Allocation</i>	<i>\$10,096,373</i>
<i>Activity Delivery Costs</i>	<i>\$625,000</i>
Total Funding	\$24,092,676

II. Definitions

Activity Costs: Direct costs from undertaking a project, which can be tied to a completed project, national objective, or eligible activity.

Activity Delivery Costs (ADC): ADCs are allowable costs incurred for implementing and carrying out eligible CDBG activities. ADCs cover the costs of staff directly carrying out the activity in addition to engineering, design, architecture, and environmental services that are necessary for successful completion of the activity. ADCs must be allocable to CDBG-assisted activity, meet a national objective, and meet all other CDBG program requirements.

Activity Reports: Reports submitted by the recipient that describe project progress and/or beneficiaries served during a given period.

Area Median Income (AMI): The median family income for specific geographic areas, adjusted for household size, as calculated by HUD.

Authority to Use Grant Funds (AUGF): The written notification from Baldwin to the recipient, indicating that a specific project has met the program prerequisites, including all applicable

environmental clearances, and authorizing the recipient to expend CDBG-DR funds on that specific project.

Disaster Recovery Grant Reporting System (DRGR): The electronic system to be used by ADECA to access grant funds from HUD and report performance accomplishments for grant-funded activities to HUD. The DRGR system is used by HUD to review-grant funded activities, prepare reports to Congress and other interested parties, and monitor program compliance.

Duplication of Benefits: Financial assistance received from another source that is provided for the same purpose as the CDBG-DR funds, in accordance with applicable Federal Register Notices.

Low- and Moderate-Income (LMI): Low- and moderate-income people are those having incomes not more than the moderate-income level (80 percent of the area median family income) set by the federal government. This 80 percent income standard changes from year to year and varies by household size, county and metropolitan statistical area.

Minority-and/or Women-Owned Business Enterprise (M/WBE): A business that is owned and controlled (minimum of 51 percent ownership) by a member of a minority group or women.

Most Impacted and Distressed (MID) Area: Cities, counties and other jurisdictions or geography identified by HUD as most impacted and distressed areas based on analysis of FEMA and state data.

National Environmental Policy Act (NEPA): Establishes a broad national framework for protecting the environment. NEPA's basic policy is to assure that all branches of government consider the environment prior to undertaking any major federal action that could significantly affect the environment.

National Objective: In accordance with 24 CFR 570.208, Section 104(b)(3) of the HCDA, and as further outlined within the waivers and alternative requirements at 88 FR 32046, all CDBG-DR funded activities must meet a national objective. For Baldwin County, infrastructure projects must achieve the requirement by benefitting Low-to Moderate-Income households or demonstrating Urgent Need.

Project: Project means any activity or series of activities undertaken by a federal agency or with federal financial assistance received or anticipated in any phase of an undertaking in accordance with the federal funding agency guidelines pursuant to Per [49 CFR 24.2\(a\)\(22\)](#).

Project Agreement (Agreement): The contractual arrangement between Baldwin County and the project owner which sets forth the terms and conditions by which CDBG-DR funds are utilized through the LGRIP program. The project agreement allows for one project to be completed under the agreement.

Project Owner: An entity receiving funding from Baldwin County under the CDBG-DR LGRIP Program for an approved project and has an executed agreement with Baldwin County.

Section 3: A provision of the Housing and Urban Development (HUD) Act of 1968 that helps foster local economic development, neighborhood economic improvement, and individual self-sufficiency. The Section 3 program requires that recipients of certain HUD financial assistance, to the greatest extent feasible, provide job training, employment, and contracting opportunities

for low- or very-low-income residents in connection with Projects and activities in their neighborhoods.

Stafford Act: [The Robert T. Stafford Disaster Assistance and Emergency Relief Act, PL 100707 as amended by the Disaster Relief Act of 1974, PL 93-288. \(Stafford Act\).](#)

Uniform Relocation Act (URA): A federal law that establishes minimum standards for federally funded programs and Projects that require the acquisition of real property (real estate) or the displacement of persons from their homes, businesses, or farms.

U.S. Department of Housing and Urban Development (HUD): Federal department through which the CDBG-DR funds are allocated and oversees regulatory compliance of these funds.

III. Acronyms

ADCs	Activity Delivery Costs
ADECA	Alabama Department of Economic and Community Affairs
AMI	Area Median Income
CDBG-DR	Community Development Block Grant – Disaster Recovery
CFR	Codified Federal Regulations
CPIP	County Priority Infrastructure Program
CPR	Certified Payroll Reports
DBRA	Davis-Bacon and Related Acts
DOB	Duplication of Benefits
DOL	U.S. Department of Labor
HUD	U.S. Department of Housing and Urban Development
ICE	Independent Cost Estimate
LGRIP	Local Government Recovery Infrastructure Program
LMI	Low- and Moderate-Income
LO	Labor Officer
LRP	Local Recovery Plan
M/WBE	Minority- and/Women-Owned Business Enterprise
MID	Most Impacted and Distressed
MOU	Memorandum of Understanding
PO	Purchase Order
RFB	Request for Bids
RFP	Request for Proposal
RFQ	Request for Qualifications
SOW	Scope of Work
URA	Uniform Relocation Act

IV. Program Requirements

a. LGRIP Implementation

The Local Government Recovery Infrastructure Program (LGRIP) focuses on assisting local governments and tribal communities in repairing or improving public infrastructure damaged by Hurricanes Sally and/or Zeta.

The LGRIP will award CDBG-DR funds to local municipalities (cities, towns, public utility districts, and tribal organizations) via a competitive application process. The County will conduct project application reviews, scoring, and approvals. Local municipalities that receive an award will implement their projects directly and will be monitored by the County.

i. Project Selection Process

The LGRIP application has been divided into three phases. Phase I determines and confirms an applicant's eligibility through general information, and Phase II seeks documentation to describe the need, sustainability, and the applicant's ability to execute this project. All information requested in Phase I is required for the phase to be considered complete. If the Phase I proposal is deemed suitable per CDBG-DR and LGRIP requirements, applicants will be invited to complete Phase II to provide further details on project scope, funding and feasibility.

Phase II applications will be reviewed and scored according to a standardized rubric with multiple criteria. Projects that meet criteria will be provided to the Baldwin Commission for consideration for award. Selected projects will then enter Phase III, where projects are submitted to ADECA for final approval and required compliance documentation is collected.

ii. Project Agreement

As projects are approved by ADECA, Baldwin County will prepare project agreements for each awarded LGRIP project that define the award amount and approved project scope, budget, timeline and terms for expending funds, and other criteria and requirements that must be met under the CDBG-DR and ADECA programs.

Projects pending approval for CDBG-DR must receive an executed agreement and notice to proceed prior to the start of work. Execution of a project agreement will require the following:

- Environmental review and clearance (see *Section VII*)
- Final project costs and timeline
- Review of financial management and procurement policies in compliance with 2 CFR 200
- Review of previous financial audits and any documented findings that need to be addressed

Agreements are subject to County and ADECA review and approval prior to execution (See details in *Section X.a.i. Procurement*). Contracts for engineering and architectural professional services require review and approval by the County and ADECA as well.

d. CPIP Implementation

The County Priority Infrastructure Program (CPIP) allows the County to address and prioritize recovery needs that have a larger, and in some cases county-wide, impact. CPIP funding will be allocated to projects managed by County Departments based on priority needs and project eligibility.

i. Project Selection Process

To select projects under CPIP, the County Commission will review its Strategic Plan and identify the projects that align with the prioritization and eligibility requirements of Section 4.5 of the LRP. The County Engineer and Grants Department may provide recommendations on projects that best meet LRP and CDBG-DR criteria and address infrastructure recovery needs. County selected projects will be submitted to ADECA for review and final approval.

County-led projects will be formalized between the Grants Department and project Department through approval of the project budget and project management by the Baldwin County Commission and documented in the public record.

e. Project Schedule/Timelines

i. LGRIP Schedule/timelines

Below is the timeframe by which the County will accept recipient applications, award CDBG-DR funding, and expect projects to be completed and ready for closeout for LGRIP.

Program Development Action	Estimated Timeline
Phase 1 Application Period	Launch – February 13, 2026
Approvals for Phase 2	March 4, 2026
Phase 2 Application Period	March 4 - May 4, 2026
Phase 2 Application Review	May 4 - June 5, 2026
Project Selection	June 16, 2026
Phase 3 ADECA Review	August 1 – TBD, 2026
Project Agreement Execution	<i>Fall 2026 (anticipated)</i>
Project Completion	by August 30, 2028
Program Closeout	September 30, 2028

ii. CPIP Schedules/Timelines

The following is the timeframe by which the County will select projects under CPIP, award funds, and expect projects to be completed and ready for closeout.

Program Development Action	Estimated Timeline
Identification of County Projects	Quarter 2 2024
Project Activity Preparation	Quarter 3 2024
Commission Approval	
<i>CR-65 (28-32)</i>	<i>September 16, 2025</i>
<i>CR-65 (34-36)</i>	<i>January 6, 2026</i>
ADECA Review	September 2025 – TBD 2026
Project Commencement	April 2026
Project Completion	by August 30, 2028
Program Closeout	by September 30, 2028

f. Eligibility

The Local Recovery Plan defined key requirements for LGRIP and CPIP, as well as eligibility requirements for projects to use CDBG-DR funding and meet compliance with the LRP, ADECA, and HUD. All projects under CPIP and LGRIP must:

- Be an eligible activity as described in the Eligible Activities section above;
- Be located within Baldwin County;
- Must establish activities as a disaster recovery effort and provide documented “tie-back” to the storms; and
- Have a demonstratable benefit to the community that meets an unmet recovery need as described in the LRP.

i. Eligibility Criteria

LGRIP Applicants

Local municipalities within Baldwin County, private for-profit, public, and nonprofit utility providers¹, water districts, tribes, and other public entities operating within Baldwin County are eligible to apply for LGRIP funding to address qualifying roadway, water, sewer, drainage, or public facility repairs remaining from Hurricanes Sally and/or Zeta.

Applicants will be expected to demonstrate capacity to manage roadway or drainage improvement projects while complying with federal compliance standards within the required period of performance of the grant. must demonstrate the capacity to perform within the program’s performance period and milestones

Applicants must also comply with Duplication of Benefits (DOB) requirements (see Section IX), and be in good standing with the County and State of Alabama, and not debarred from receiving federal funds.

CPIP Project Eligibility

Baldwin County Commission will identify projects that prioritize recovery needs and have a larger, and in some cases county-wide, impact. CPIP-funded projects will be managed within County departments.

ii. Tie-Back to Storm

Per [87 FR 6371](#) (II.A.1. Documenting a Connection to the Disaster) HUD requires that projects receiving CDBG-DR funding must “address an impact of the disaster for which funding was allocated (i.e., tie-back to the disaster). Accordingly, [87 FR 6370](#) (II.A. Clarification of Disaster Related Activities) “All CDBG-DR funded activities must address an impact of the disaster for which funding is allocated. Accordingly, each activity must address a direct or indirect impact from the disaster...”

¹ HUD Memorandum 22-01, *CDBG-DR Private Utility Alternative Requirement for grants under Public Law 117-43*, December 7, 2022 https://www.hud.gov/sites/dfiles/CPD/documents/CDBG-DR/CDBG-DR-Private-Utility-Req-for-grants-Public-Law-117-43_final.pdf

Direct tie-back refers to the clear and well-documented connection between a proposed project and the impacts of the specific federally declared disaster for which funds were allocated. To ensure compliance with HUD regulations and to support timely project approval, subrecipients must provide sufficient evidence showing how each activity addresses an unmet recovery need directly caused by, or exacerbated by, the declared disaster event.

Indirect tie-back refers to a project's connection to the impacts of the federally declared disaster through a logical, well-supported chain of evidence, even when the damage or unmet need is not the result of direct physical impact but can still be linked to a consequence of the disaster's impacts. HUD allows indirect tieback when a project addresses a condition that arose because of, was worsened by, or became urgent due to the disaster event.

Any funded projects with CDBG-DR funds must establish tie-back to the storms. Projects can establish tie-back to the storm using the following descriptions:

- How Sally or Zeta impacted the performance of the roadway or drainage system at time of the storm;
- The resulting, quantitative effects of the storm on roadways and sewage and drainage systems;
- Addresses the increased impact that the performance failure of roadways, sewage, or drainage had on areas with large LMI communities; and
- Addresses how improvements will positively impact the community during future disasters and reduce levels of damage sustained by the community.

Documentation for tie-back should be specific, verifiable, and proportional to the scale of the project, and show that the need persists because of the disaster, and other funding sources are unavailable or insufficient. This includes explaining why CDBG-DR is the appropriate funding source and how the project supports long-term, resilient recovery.

Documenting indirect tie-back

- Projects must show a reasonable and well-documented connection between the disaster and the need for the proposed activity. This can be demonstrated by:
 - Describing how the disaster created or worsened the condition the project addresses.
Example: Documentation showing that the infrastructure previously existed and was damaged by the disaster and is being expanded or relocated (i.e. rebuilt in a new location) could serve as evidence of indirect tie-back.
 - Explaining why the activity is necessary for long-term recovery.
Example: A water system outside the flood zone now experiences capacity issues because displaced households relocated to higher-ground neighborhoods.
- Indirect tie-back requires documentation that may include:
 - Maps showing disaster impacts and subsequent community shifts
 - Population or housing displacement data
 - Infrastructure usage or capacity reports
 - Local government assessments or hazard mitigation plans
 - Economic impact analyses
 - Engineering reports showing increased capacity needed due to indirect disaster effects

- Public service demand increases tied to disaster displacement
Example: Documentation showing that the project location is advantageous from a resilience standpoint (i.e. that a version with a more direct tie-back would be more vulnerable to future storm impacts).

iii. Eligible Projects

LGRIP

Primary project activities will include:

- Sewer and drainage improvements (including resulting work, e.g., road reconstruction, due to sewer and drainage construction), and
- Roadway improvements (including medians and other structures, e.g., signage and drainage, in relation to roadway construction).
- While there is no limit on the number of project applications an applicant can submit or an award maximum, the minimum award for assistance is \$300,000.

The County will review the projects to determine if they meet feasibility criteria and may use the following to make final determinations:

- Shovel-ready projects;
- Projects under constructions;
- Appropriate level of leveraged funding, where applicable; and
- Public support.

The County's selection criteria for LGRIP projects will generally center around projects which meet an eligible activity, national objective, have storm tie-back, and address an unmet recovery need. The County will also consider project schedules and timelines included in the application that demonstrate the feasibility of each project to complete work within the grant period. Since HUD identified all of Baldwin County as a Most Impacted and Distressed (MID) area, all projects within the county are presumed to meet the MID requirement.

CPIP

Baldwin County will assess recovery needs and identify county-led projects that can be identified as high priority and meet CDBG-DR funding requirements. CPIP-funded projects may include:

- Road improvements
- New roadways
- Drainage improvements
- Safe rooms²
- Flood control structure(s) development
- Public facilities repair and reconstruction
- Broadband infrastructure improvements

² [FEMA Community Safe Room Fact Sheet](#)

Other considerations for both County and LGRIP projects which would indicate feasibility for project/activity completion include:

- Approved environmental clearances;
- Approved design plans;
- An ability by the project owner to hold on making choice limiting actions, e.g., hiring a construction company or any activities that could be deemed “hard costs”; and
- Completed all permit approval processes.

Project must also comply with applicable state, local, and tribal codes, as well as standards for floodplain management, including elevation, setbacks, and cumulative substantial damage requirements. Infrastructure facility and other improvement projects, assisted with CDBG–DR funds, must be elevated or flood-proofed, in accordance with FEMA floodproofing standards at [44 CFR 60.3\(c\)\(3\)\(ii\)](#) or successor standard, up to at least two feet above the 100-year (or one percent annual chance) floodplain.

Additionally, projects assisted with CDBG–DR funds must be designed and constructed to withstand extreme weather events and the impacts of potential future storms. This includes incorporating mitigation measures and resilient elements and design as construction standards within the project.

In meeting these criteria, the recipient can assure that projects are able to meet the project closeout deadline. This will allow the County to complete the program closeout process by the agreement deadline, as identified within the County’s agreement with ADECA.

g. ADECA Project Review and Approval

Projects that meet program criteria and deemed eligible for funding by the Baldwin County Commission are prepared for submission to ADECA for final funding approval. ADECA’s review is informed by the preparation and submission of an Activity Profile Form for each selected project. These Activity Profile Forms provide detail on pertinent project aspects including scope, budget, mitigation measures, recipient capacity and experience, and compliance measures. All required supporting documentation, including a completed project cost estimate, Duplication of Benefits Analysis, and Beneficiaries Table, must be submitted to ADECA alongside the Activity Profile Form.

If a project is approved, ADECA provides a Letter of Conditional Commitment, notifying Baldwin County of the funding approval and amount. The letter details that the final award of program funds is contingent upon the submission of the start-up documentation for the approved activity. Start-up documentation includes:

- A completed CDBG-DR “Local Program Implementation Schedule”
- A “CDBG Budget/Final Financial Report” showing a detailed breakdown of CDBG-DR and other funds. This budget breakdown must include all activity delivery and A&E costs associated with the approved grant activities.
- An Environmental Review that meets the requirements described in the [Environmental Review Guide](#). For any project, other State and Federal agencies may require concurrence as part of the environmental review. All concurrences must be kept in the program files.

- A completed “Designation of Responsible Officials” form.
- A standard “Certification” showing signatures to be used on the financial forms and Unique Entity Identifier (UEI) number.
- A completed U.S. Department of Housing and Urban Development (HUD) “CDBG Disclosure Report” ([HUD Form 2880](#)).
- A completed Bidding and Contracting Compliance Questionnaire.
- A copy of the www.sam.gov UEI Number active registration page showing the registration expiration date.
- For all projects conducting new building or construction or any activity taking place in a park property, submit a written concurrence from the ADECA Federal Initiatives and Recreation Division.
- Engineering contracts and bid materials must be sent to Baldwin County for submission to ADECA for review.
 - For all projects, engineering contracts must be reviewed and approved by the ADECA Engineer prior to executing contracts.
 - For all construction projects, bid documents must be reviewed and approved by the ADECA Engineer prior to advertising for bids (housing and buildings are excluded).
- For water and sewer projects, it may be necessary to forward plans and specifications to the Alabama Department of Environmental Management for review prior to advertising the project for bids.
- Please note: as a condition of the grant, recipients will be required to comply with the Beason-Hammon Alabama Taxpayer and Citizen Protection Act, as amended. This compliance will require that for every contract or subcontract entered into as part of the CDBG project the following must occur:
 - Include the compliance language, as it appears in the grant agreement, in all contracts;
 - Keep the original “Certificate of Compliance with the Beason-Hammon Alabama Taxpayer and Citizen Protection Act (Act 2011-535, as amended by Act 2012-491) in the CDBG program files for review at monitoring; and
 - Keep a copy of the “E-Verify Program for Employment Verification Memorandum of Understanding” between Homeland Security and the contractor/subcontractor. This applies to all vendors, contractors, and subcontractors, including professional services, contractors and regional planning and development commissions.

The above documentation must be submitted by Baldwin County to ADECA no later than sixty days from the receipt of the Letter of Conditional Commitment. Upon satisfaction of all conditions, a “Release of Grant Conditions” letter will be provided.

h. Mitigation Efforts

Baldwin County must identify \$6,504,253 in infrastructure project activities that meet mitigation requirements for HUD and ADECA.

Mitigation efforts are defined as increasing resilience to disasters and reducing or eliminating the long-term risk of loss of life, injury, damage to and loss of property, and suffering hardship by lessening the impact of future disasters.

Baldwin County Multi-Hazard Mitigation Plan includes a risk assessment with hazard profiles for the 13 identified hazards and jurisdictional vulnerability. The Identified Hazards are:

- Hurricanes
- Flooding
- Severe Storms
- Tornadoes
- Wildfires
- Drought/Heatwaves
- Winter Storms/Freezes
- Earthquakes
- Landslides
- Dam/Levee Failures
- Sinkholes (Land Subsidence)
- Tsunamis
- Manmade/Technological

The County has five broad categories for the mitigation strategy from the county's risk assessment. Mitigation efforts would be best directed toward addressing the following strategies to enhance resiliency.

- Prevention: Minimize risks of loss due to natural and man-made hazards through managing land use and development.
 - Examples include:
 - Elevating homes to prevent flooding in the event of hurricane storm surge.
 - Elevating homes in the 100-year floodplain.
 - Installing storm shutters in the event of hurricane force winds or storm surge.
 - Relocating homes in the event of coastal flooding and sea level rise.
 - Retrofitting homes to include safe rooms in the event of tornadoes.
- Property Protection: Protect structures from damaging effects of natural and man-made hazards for the safety of their occupants and preservation of property.
 - Examples include:
 - Retrofitting buildings to protect most vulnerable components from hurricane force winds.
 - Permanently securing buildings to a foundation to prevent flooding in the event of hurricane storm surge (elevation and/or anchoring).
 - Relocating utilities above base flood elevation for homes and businesses in the 100-year floodplain.

- Public Education: Educate and notify the public about the risks of hazards and the methods available to reduce threats to life and property.
 - Examples include:
 - Providing free education and training on disaster preparedness
- Natural Resources Protection: Restoration and preservation of the natural environment to promote and enhance sustainable community development.
 - Examples include:
 - Establishing artificial wetlands to provide new homes for species
 - Erosion and sediment control
 - Implementing building codes to reduce greenhouse gas emissions
- Structural Projects: Apply engineered structural modifications to natural systems and public infrastructure to reduce impacts of hazards. Modifications are to be feasible, cost effective, and environmentally suitable.
 - Examples include:
 - Retrofitting private buildings to include safe rooms in the event of tornadoes.
 - Retrofitting public and private buildings to increase structural capacity to withstand severe storms.

i. Permitting & License

Permitting will be met and fulfilled in accordance with the requirements of the jurisdiction in which a project is located and based on the activities within the scope of the project.

Project owners and prime contractors are responsible for determining and meeting all permit and licensing requirements for the jurisdiction, State, and Federal that are necessary to conduct work on the project. Any work completed without the required permits or licenses will be at the risk of the project owner and may not be eligible for reimbursement by Baldwin County.

j. Inspections

Project owners and prime contractors are responsible for ensuring work is inspected by an engineer or architect with the appropriate expertise to determine that all work completed is accurate and done to the required specifications to meet project outcomes and applicable jurisdiction, state, and federal code and requirements. Baldwin County may request inspection reports as part of monthly or quarterly progress updates.

k. Amendment and Change Orders Process

Amendments and Change Orders are subject to similar processes as the initial cost estimation and procurement (see *Procurement & Contracting* section). Changes in scope and/or budget must be processed through a change order or amendment and approved by the project manager before work can be completed or additional costs are incurred.

Contractors must submit all proposed change orders to the project manager for review and approval. Requests for changes must be made in writing and must include a cost estimate. Prior to commencing the work, the change order must be approved, in writing, by the recipient and the updated project scope and budget provided to Baldwin County. For County-led projects, change orders must be approved by the Baldwin County Commission. Contractors will not be compensated for any work performed prior to approval. Additional work or materials required,

due to damages or repairs resulting from contractor error or miscalculation, will not be eligible for change order consideration.

Changes in project scope or to funding that will significantly impact the overall project budget, implementation, and ability to meet milestones or completion must be raised with the Baldwin County Commission immediately to ensure projects maintain compliance with CDBG-DR, federal, and ADECA requirements.

V. Financial Management

a. Allowable Costs

A cost is allowable if the goods and services involved:

- Are necessary and reasonable;
- Conform to limitations set forth in the agreement or memorandum of understanding;
- Are consistent with the program policies and procedures that apply uniformly to costs allocable to both the CDBG-DR award and other, non-CDBG-DR sources;
- Are treated the same within the grant. A cost type must be set and remain throughout the term of the agreement; and
- Are adequately documented.

b. Allocable Costs

A cost is allocable to a federal award or other cost objective if the cost is assignable to that federal award or other cost objective in accordance with the relative benefits received. This standard is met if the cost satisfies any of the following criteria:

- Is incurred specifically for the federal award;
- Benefits both the federal award and other work of the recipient or recipient and can be distributed in proportions that may be approximated using reasonable methods; or
- Is necessary to the overall operation of the recipient or is assignable in part to the federal award in accordance with these cost principles.

A cost allocable to a particular federal award may not be charged to other federal awards (for example, to overcome fund deficiencies or to avoid restrictions imposed by federal statutes, regulations, or the terms and conditions of the federal awards). However, this prohibition would not preclude shifting costs that are allowable under two or more federal awards in accordance with existing federal statutes, regulations, or the terms and conditions of the federal awards.

If a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost must be allocated to the projects based on the proportional benefit. However, when those proportions cannot be determined because of the interrelationship of the work involved, then notwithstanding paragraph (c) below, the costs may be allocated or transferred to benefitted projects on any reasonable documented basis.

c. Unallowed or Ineligible Costs

Payments made for costs determined to be unallowable by either HUD as the awarding federal agency, ADECA, or Baldwin County must be refunded with interest to the federal government.

Unless directed by federal statute or regulation, repayments must be made in accordance with the instructions provided by the entity that made the determination.

d. Budget Reconciliation

Budget reconciliation is an important financial management tool. This allows recipients to accurately identify where they are in their spending and financial performance during the grant life. The County requires its recipients to implement a process to reconcile the budget quarterly in their financial management system. If a recipient is unable to update the system to reconcile the budget quarterly, a process should be created to manually reconcile expenditures and the grant budget to ensure funds are being spent timely and that the projects are not over budget.

e. Program Income

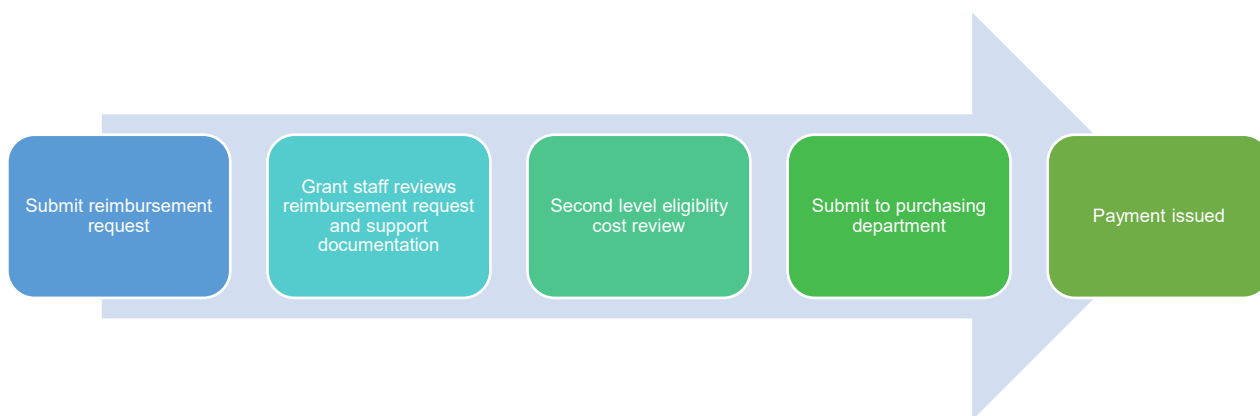
Program income is gross income earned by a recipient from grant supported activities and must be tracked and reported to Baldwin County Commission and ADECA. The projects under LGRIP and CPIP are not expected to include activities that would generate program income.

If program income does occur on any CDBG-DR funded activity, Baldwin County Commission will ensure the funds are tracked and managed in a non-interest bearing account and reported to ADECA as required.

VI. Reimbursement Request Process

CDBG-DR grants are provided on a reimbursement basis. LGRIP and CPIP projects will only receive CDBG-DR funds as reimbursements, meaning they must first expend project funds and provide proof of payment before the County can process their reimbursement requests. Baldwin County's financial management policies prohibit advance payments to recipients.

Reimbursement Request Submission Process





a. Submitting Invoices

Reimbursement requests for project expenditures will be submitted for processing by uploading all documents to a designated Sharepoint site. Each recipient will have a folder to upload documentation for their projects and will be provided detailed instructions for accessing the folder.

LGRIP and CPIP recipients will be required to submit requests on a monthly basis, but will have the option to submit more frequently if needed.

b. Required Documentation

When submitting a reimbursement request, there must be supporting documentation attached for all costs included on the payment request. Please note the following is a general list, and not all documents may be applicable to every request. If LGRIP or CPIP recipients have any questions about whether additional documentation is required beyond what is listed below, they should contact the Baldwin County Grants Department.

Reimbursement Request Support Documentation List:

- **Evidence of Payment:** Documentation verifying that the costs have been paid for all costs included on payments made within the last 30 days of the current request. This can include a voided check or confirmation of an electronic payment.
- **Invoice(s) from Contractors or Vendors:** Detailed invoices containing the vendor's or contractor's name, address, and other identifying information. The invoice should clearly describe the services or goods provided and how the total cost was calculated (e.g., unit price multiplied by the number of units, or hours worked multiplied by the hourly rate, including task descriptions and the Scope of Work (SOW) reference).
- **Rate Sheet:** Typically required for professional services to substantiate the billing rate in relation to the Scope of Work (SOW) outlined in the contract.
- **Scope of Work (SOW) Task List:** The relevant SOW from the professional services contract that demonstrates the invoiced work aligns with the contract's billing requirements, meeting objectives such as milestones met, tasks completed, or similar quantifiable metrics.
- **Time Sheets:** Necessary when LGRIP or CPIP recipients are seeking reimbursement for internal staff payroll costs or hourly professional services rates.

- **Receipts:** Required as proof of expenditure for travel-related expenses such as hotels, mileage, and car rentals, as well as other miscellaneous reimbursements.
- **Project Progress Reports:** A narrative summary detailing the work completed during the reporting period and the overall percentage of project completion.

c. Review Process

The County will adhere to its established internal procedures for reviewing reimbursement requests, their supporting documentation, and any necessary data entry to ensure complete and expedient processing. The County's consultant, Civix Consulting Group, and Baldwin County Grants will review requests for reimbursement and notify the recipient if any corrections, clarifications, or additional documentation is required prior to the reimbursement request being processed for payment.

d. Payment timeline

Please be aware that the County's reimbursement payment process may take approximately 45 days from the date of submission to completion. Therefore, LGRIP and CPIP recipients should factor this timeframe into their billing schedules. The estimated timeline is outlined below:

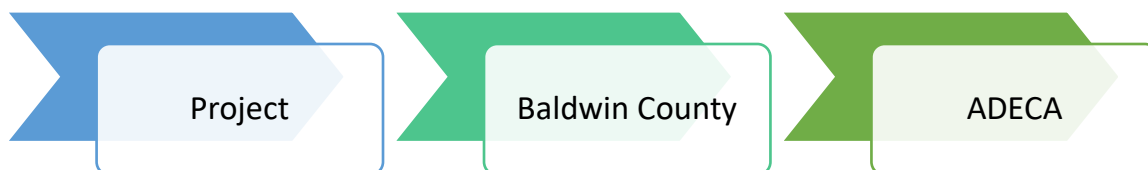
Payment Timeline

Process Step	Summary of Step	Process Timeframe
Submission of Reimbursement Request	Payment request uploaded by LGRIP or CPIP recipient to Sharepoint folder.	1 Day
First and Secondary Review of Reimbursement Request	Civix Consulting Group and Baldwin County's review(s) of reimbursement request and support documentation to determine eligibility of costs.	9 Days
Approval Process and Issuance of Payment	Baldwin County Commission/departments approval of request and payment issued.	30 Days

VII. Environmental Review

All infrastructure projects administered under CPIP and LGRIP will undergo an environmental review process in compliance with [24 CFR Part 58](#) and other applicable federal, state, and local environmental regulations. The County strives to ensure projects funded through its CDBG-DR allocation identify and mitigate potential environmental impacts to promote resilient and sustainable infrastructure development in the recovery process. Environmental reviews for projects will be conducted by Baldwin County in coordination with recipients and submitted to ADECA for approval.

Environmental Reporting Levels



a. Regulatory Requirements

Environmental processes are controlled by the following regulations. Any recipient of Baldwin County CDBG-DR funds should have an understanding of the applicable regulations and ensure projects that are subject to 24 CFR 58 are sufficiently cleared and documented.

1. **24 CFR 58: Environmental Review Procedures for Entities Assuming HUD Environmental Responsibilities.**
2. **National Environmental Policy Act (NEPA):** Ensuring consideration of environmental impacts in federal actions. The [NEPA Final Rule](#), often referred to as the "Phase 2" rule, was issued in May 2024 and applies to environmental reviews initiated on or after July 1, 2024, for federally funded projects.
Note: An [interim final rule](#) was issued to remove the existing NEPA implementing regulations, effective April 11, 2025, which will significantly alter how NEPA is implemented by federal agencies. However, ADECA and Baldwin County will require recipients of LGRIP and CPIP to follow the Phase 2 rule.
3. **Other Federal Laws and Regulations:** Including, but not limited to, the [Clean Air Act](#), [Clean Water Act](#), [Endangered Species Act](#), [National Historic Preservation Act](#), and Executive Orders related to [environmental justice](#) and [floodplain management](#).
4. **Alabama Environmental Regulations:** Adherence to state-specific environmental protection laws and regulations.
5. **Local Ordinances:** Compliance with relevant County of Baldwin environmental ordinances.

b. Choice Limiting Activity

HUD's prohibition on choice limiting actions at [24 CFR 58.22](#) is derived from the regulations of the Council on Environmental Quality implementing the [National Environmental Policy Act of 1969](#) (NEPA), which state that (with certain exceptions), "until an agency issues a finding of no significant impact or record of decision no action concerning the proposal may be taken that would: (1) Have an adverse environmental impact; or (2) Limit the choice of reasonable alternatives."

Examples of choice limiting activity are:

- Acquisition of real property (land),
- Leasing of real property (land),
- Rehabilitation,
- Demolition,
- New construction, and
- Work that disturbs the ground (clearing, grading, or grubbing)

Note: LGRIP and CPIP recipients must not expend funds on any "choice limiting activities" until an Authority to Use Grant Funds (AUGF) has been provided by ADECA. Recipients should only expend funds associated with completing the environmental review and any allowable pre-application and/or recipient agreement costs.

c. Project Review

Baldwin County will determine the appropriate environmental clearances to complete for LGRIP and CPIP projects and identify the necessary level of review for each project. Once the appropriate level of environmental review is determined, it is the responsibility of LGRIP and CPIP recipients to complete the required forms and submit to Baldwin County. Technical assistance and other support may be provided through the County's consultant on an as needed basis.

i. Environmental Assessment

An environmental assessment (EA) is conducted once the project location has been identified. The environmental assessment will assess the impact of the project on the environment. Recipients will be required to complete ADECA's Environmental Review Form – Environmental Assessment ([ENV-EA](#)). Outside of professional services, a detailed analysis of potential environmental impacts and alternatives must be conducted. It should be noted that if the project has an environmental assessment completed for another federal agency, that same assessment can be used for HUD funds in certain situations. For more details, please refer to [Memorandum Adoption of FEMA and Other Federal Environmental Reviews and Processing for Hurricane Sandy Supplemental Appropriation \(HR 152\) Activities](#) on the circumstances and documentation requirements.

The EA will result in one of the following:

- Finding Of No Significant Impact (FONSI) – a FONSI will be issued if no significant impacts are anticipated.
- Environmental Impact Statement (EIS) – an EIS will be prepared for projects with potentially significant impacts.

ii. Categorical Exemption/Exclusion

In accordance with [24 CFR 58.34](#) and applicable HUD guidance, certain types of activities funded through the CDBG-DR program are classified as Categorically Exempt/Excluded. These are activities that HUD has determined, by regulation, normally do not have a significant impact on the human environment and do not require the preparation of an Environmental Assessment (EA) or an Environmental Impact Statement (EIS).

Examples of potential Categorically Exempt/Excluded activities relevant to infrastructure projects may include:

- Minor repairs or improvements to existing infrastructure (e.g., patching roads, repairing sidewalks). It is important to note that these repairs or improvements do not involve the following:
 - Expand the structural footprint by 20 percent or more or
 - Require any ground disturbance.
- Rehabilitation of buildings that does not change their footprint or use significantly.
- Installation of accessibility features in existing public facilities.
- Planning and technical assistance activities.

Determination of Categorical Exemption/Exclusion

Baldwin County Grants Department will determine if a proposed activity qualifies as categorically exempt/excluded based on the definitions provided in 24 CFR 58.35 and HUD guidance. If the categorically exempt determination is made, the project owner must complete the following ADECA specific environmental forms:

- [Level of Review Determination Form](#) (ENV-LRD),
- [Other Requirements Checklist](#) (ENV-ORC), and
- [Finding of Exemption](#) (ENV-FOE)

The completed forms must be submitted to the Grants Department to be provided to ADECA. The recipient of LGRIP or CPIP funds must maintain a copy in their ERR files to support costs. Additional environmental process and information can be located on ADECA's website or [link here](#).

Environmental Criteria Review

Even if an activity is Categorically Excluded, it must still be reviewed to ensure that it does not trigger any of the Environmental Criteria listed at 24 CFR 58.5. These criteria include potential impacts related to:

- Historic properties
- Floodplains
- Wetlands
- Endangered species
- Coastal Zone Management
- Sole Source Aquifers
- Farmland protection
- Air quality
- Noise
- Hazardous materials
- Environmental justice

Documentation

The determination that an activity is Categorically Exempt/Excluded and the review for Environmental Criteria and Extraordinary Circumstances must be documented in the project's environmental review record. This documentation will include a description of the activity and a finding that it meets the criteria for a Categorical Exemption/Exclusion and does not trigger any of the 24 CFR 58.5 factors.

iii. Project Activity Subject to 24 CFR 58

All infrastructure projects funded in whole or in part by the LRP CDBG-DR grant that are not determined to be Categorically Exempt/Excluded under [24 CFR 58.34](#) require a more in-depth environmental review to assess their potential impacts on the human environment. Baldwin County will coordinate with project owners to complete the following ADECA specific environmental forms:

- [Level of Review Determination Form](#) (ENV-LRD),
- [Other Requirements Checklist](#) (ENV-ORC),
- [Environmental Assessment](#) (ENV-EA),
- [Categorically Excluded Subject To 58](#), (ENV-CEST) – if applicable,
- FONSI Statement– if applicable, and
- Environmental Impact Statement – if applicable.

The completed forms must be submitted to Baldwin County and ADECA. The recipient of LGRIP or CPIP funds must maintain a copy in their ERR files to support costs. Additional environmental process and information can be located on ADECA's website or [link here](#).

Projects subject to 24 CFR 58 will undergo an environmental review process that typically includes, but is not limited to, the following stages:

- Project Description and Information Gathering: Comprehensive details about the proposed project, including its purpose, scope, location, and potential alternatives, will be collected.
- Environmental Assessment (EA): An EA will be prepared to evaluate the potential environmental impacts of the project and its alternatives. This assessment will consider the Environmental Criteria outlined in 24 CFR 58.5 and may involve consultation with relevant federal, state, and local agencies, as well as public input.
- Finding of No Significant Impact (FONSI) or Environmental Impact Statement (EIS): Based on the Environmental Assessment, a FONSI will be issued if the project is determined not to have significant environmental impacts. If significant impacts are anticipated, an EIS may be required, following the procedures outlined in NEPA and HUD regulations.

iv. Project Activity Not Subject to 24 CFR 58

In accordance with 24 CFR 58.34(a), certain categories of activities are exempt from the environmental review requirements of 24 CFR Part 58. These are activities that HUD has determined do not constitute a project under NEPA or do not have the potential to cause physical impacts or changes to the human environment.

Examples of activities that may be considered Exempt under HUD regulations include:

- General program administration and management costs.
- Technical assistance and training.
- Planning activities that do not involve physical implementation.
- Preliminary surveys and studies that do not involve physical disturbance.
- Emergency assistance for immediate threats to health and safety (under specific conditions).

Baldwin County will coordinate with project owners to complete the following ADECA specific environmental forms:

- [Level of Review Determination Form](#) (ENV-LRD),
- [Other Requirements Checklist](#) (ENV-ORC),
- [Environmental Assessment](#) (ENV-EA),
- [Categorically Excluded Not Subject To 58](#), (ENV-CENST) – if applicable,
- FONSI Statement– if applicable, and
- Environmental Impact Statement – if applicable.

Additional environmental process and information can be located on ADECA's website or [link here](#).

Distinction from Categorically Excluded Activities:

It is important to distinguish activities not subject to 24 CFR 58 from Categorically Exempt/Excluded activities. While Categorically Exempt/Excluded activities also do not typically require an environmental assessment or EIS, they are still subject to review under the environmental criteria under [24 CFR 58.5](#) and for Extraordinary Circumstances ([24 CFR 58.35\(c\)](#)). Exempt activities have a lower threshold and are generally considered outside the scope of NEPA's environmental review requirements under 24 CFR 58.

Determination of Exemption

The Baldwin County Grants Department will determine if a proposed activity qualifies as Exempt based on the definitions provided in 24 CFR Part 58.34(a) and HUD guidance. This determination will be documented in the project file.

- No Further Environmental Review under 24 CFR 58: Activities determined to be Exempt are not subject to the Environmental Criteria at 24 CFR 58.5 or the procedural requirements for Environmental Assessments or Environmental Impact Statements outlined in 24 CFR 58.
- Compliance with Other Laws and Regulations: While Exempt from 24 CFR 58, these activities must still comply with all other applicable federal, state, and local laws and regulations. This may include, but is not limited to, regulations related to procurement, labor standards, fair housing, and non-discrimination.

Documentation

The determination that an activity is Exempt must be clearly documented in the project's environmental review record, along with the specific citation from 24 CFR 58.34(a) that justifies the exemption.

d. Public Comment Period

Opportunities for public review and comment on the Environmental Assessment and the Finding of No Significant Impact will be provided in accordance with HUD regulations. When publishing for public comment, the notice, report and supporting documents should be available for a full 30 days from the date of publication. Recipients of LGRIP and/or CPIP funds must publish the following notices:

- [Notice of Intent](#) - this is to notify the public of the nature or scope of the project and to demonstrate intent for a request for a release of funds
- [Notice of Floodplain-Wetland Notices](#) – if applicable – the purpose of this notice is to inform the public if the location is in a floodplain/wetland and to allow the public to suggest practicable alternative sites
- [Combined Notice](#) – if applicable – this notice satisfies separate but related procedural requirements. It combines a FONSI and a Notice of Intent for a RROF and allows the public to comment on either or both notices at the same time
- Notice of Request for Release of Funds – once comments from the above public notices have been considered and modifications made, if appropriate, an RROF can be submitted to ADECA

If any comments are received from the public during the 30-day comment period, the Baldwin County Grants Department and the recipient should review comments and determine the impact on feasibility of the project. Additional review may be required based on feedback from the public.

e. Environmental Review Approval

i. Request for Release of Funds (RROF)

The RROF serves as a formal certification by Baldwin County and the project owner that:

- The environmental review for the specific project has been completed in compliance with 24 CFR 58 and all other applicable environmental laws and regulations.
- LGRIP and/or CPIP recipient has fully carried out its responsibilities for environmental review as outlined in 24 CFR 58.
- All identified mitigation measures or conditions resulting from the environmental review have been incorporated into the project design and will be implemented.
- There are no unresolved environmental issues that would prevent the lawful implementation of the project.

The RROF will be submitted to ADECA **after** the completion of the environmental review process and public comment period, including:

- For projects requiring an Environmental Assessment, after the Finding of No Significant Impact (FONSI) has been issued and the public comment period has concluded (if applicable).
- For projects potentially requiring an Environmental Impact Statement (EIS), after the EIS process is complete and a Record of Decision (ROD) has been issued (if applicable).

The RROF submission to ADECA will include, at a minimum:

- The [Request for Release of Funds](#) form (ENV-RROF).
- A copy of the completed Record of Environmental Review (RROF) and all supporting documentation (which may include but not limited to: executed/completed ENV-LRD, ENV-RROF, copies of all public notices and affidavits of posting / proof of publication for Early Wetlands/Floodplain, Final Wetlands/floodplain, and/or Combined Notice)
- Certification by the authorized official of the LGRP and/or CPIP recipient that the environmental review responsibilities have been met.
- Any other documentation required by ADECA and HUD.

The RROF will be submitted to ADECA via email at: Christopher.perkins@adeca.alabama.gov.

No CDBG-DR funds can be drawn down or committed for a project subject to 24 CFR 58 until ADECA has reviewed and approved the RROF through their provision of a letter of concurrence.

ii. Authority to Use Grant Funds (AUGF)

Authorization to use CDBG-DR grant funds for infrastructure projects subject to environmental review under 24 CFR Part 58 will be granted only to projects through ADECA's formal approval of the submitted RROF. ADECA's approval signifies their acceptance of the LGRIP and/or CPIP recipient's certification that the environmental review met the requirements of 24 CFR 58 and other applicable federal environmental laws, as interpreted and guided by HUD. The AUGF

applies specifically to the activities and scope of work described in the approved RROF and the associated environmental review record. Any significant changes to the project may require further environmental review and a potential amendment to the RROF and subsequent re-authorization. The formal AUGF is evidenced by ADECA's written approval of the RROF. This approval will be retained as part of the project's official record.

Baldwin County will notify projects when AUGFs are received, and if project work may commence (refer to section IV(g) ADECA Project Review and Approval).

VIII. Labor Standards and Section 3

a. Davis-Bacon and Related Acts

The Davis-Bacon and Related Acts (DBRA) encompass a range of labor and safety regulations with the primary goal of ensuring fair wages and safe working conditions for laborers and mechanics on federally funded or assisted construction projects. To help LGRIP and CPIP recipients navigate these requirements, Baldwin County recommends utilizing the following resources:

- [HUD Federal Labor Standards Requirements 1344.1 Rev. 3](#) (English)
- [HUD Federal Labor Standards Requirements 1344.1 Rev. 3](#) (Spanish)
- [Davis-Bacon and Labor Standards: Agency-Contractor Guide](#)
- [Davis-Bacon and Labor Standards: Contractor Guide Addendum](#)

i. Davis Bacon Act

The Davis-Bacon Act and Related Acts (DBRA) apply to contractors and subcontractors performing on federally funded or assisted contracts in excess of \$2,000 for construction, alteration, or repair (including painting and decorating) of [public buildings or public works](#). The Davis-Bacon "prevailing wage" is the combination of the basic hourly rate and any fringe benefits listed in a Davis-Bacon wage determination for corresponding work on similar projects in the area. Additionally, the County must follow the reporting requirements per HUD and the Department of Labor (DOL) regulations. This requirement also extends to contractors.

ii. Bidding and Contract Requirements

The County ensures that DBRA clauses and the appropriate wage determination are included in all construction contracts and all applicable programs and services are in compliance with DBRA. The County does not approve any payment, advance, grant, loan, or guarantee of funds after the beginning of construction unless there is on file, a certification by the contractor and subcontractors they have complied with DBRA.

iii. Prevailing Wage Rate (Wage Decision)

The Davis-Bacon wage decision contains a schedule of work/job classifications and the minimum wage rates that must be paid to persons performing particular jobs. Wage determinations can be retrieved from www.dol.gov.

In addition, if a work classification does not appear on the wage determination, the contractor must request an additional classification and wage rate from the County. Requests must be made in writing and must meet certain HUD criteria to be approved. These criteria include:

1. The requested work classification is used in the area of the project by the construction industry.
2. The work that will be performed by the requested work classification is not performed by a work classification that is already contained within the applicable wage decision.
3. The proposed wage rate for the requested work classification bears a reasonable relationship to the wage rates on the wage decision.

The County forwards to ADECA additional classification requests, ADECA will consult with HUD, and requests which fail to meet HUD approval are forwarded to DOL for final determination.

Apprentices and trainees may be paid less than the journeyman's rate for their craft only if registered in a program approved by the DOL.

iv. Copeland's Act's Anti-Kickback Provision

The Copeland Anti-Kickback Act (40 USC, Chapter 3, Section 276c and 18 USC, Part 1, Chapter 41, Section 874; and 29 §Part 3) requires that workers be paid weekly, that deductions from workers' pay be permissible, and that contractors maintain and submit weekly payrolls.

v. Contract Work Hours and Safety Standards Act

The Contract Work Hours and Safety Standards Act (40 USC, Chapter 5, Sections 326-332; and 29 CFR §4, 5, 6 and 8; 29 CFR §70 to 240) applies to contracts over \$100,000 and requires that workers receive overtime compensation (time and one-half pay) for hours they have worked in excess of 40 hours in one week. Violations under this Act carry a liquidated damages penalty (\$32 per day per violation).

vi. Labor Officer Appointment

The appointment of a Labor Officer (LO) is not a regulatory requirement, however; the County highly recommends that recipients appoint a LO for construction projects. The LO will be responsible for managing all DBRA requirements and ensuring compliance and enforcement of DBRA. The LO should have the following skills:

- Received HUD or DOL training on Davis Bacon and Related Acts,
- Has at least one year of experience in labor compliance, and
- Can dedicate a reasonable amount of time for DBRA activities.

vii. Construction Site Posting

Recipients are required to comply with all construction site posting requirements. All Davis Bacon and Related Act projects must maintain documentation to support compliance with construction site posting requirements. Documentation can be confirmed via photos of the construction site to ensure that the required DOL postings and wage decisions are in a prominent and easy to access location.

Federal wage determinations can be located on the <https://www.sam.gov/> website.

Other required posting materials are:

1. [Workers' Rights Under the Davis Bacon Act](#) – English
2. [Workers' Rights Under the Davis Bacon Act](#) – Spanish
3. [Applicable Project Wage Determination](#)

4. [OSHA Workplace Poster](#)
5. Know Your Rights – English
6. Know Your Rights – Other Available Languages
7. [Pay Transparency Nondiscrimination](#)
8. [Workers' Rights Under Fair Labor Standards Act](#) – English
9. [Workers' Rights Under Fair Labor Standards Act](#) – Spanish

Note: A copy of all posters noted above can be obtained from Baldwin County upon request. Ensure that a photo is taken of the construction site posting that shows:

1. Accessibility to the notifications and wage determinations,
2. All applicable Department of Labor and Equal Employment Opportunity posters are posted in an easily accessible location, typically on same poster board as the wage determination.
3. The entire board to demonstrate compliance.

viii. **Certified Payroll Report**

Payrolls and related records must be maintained by the contractor during the course of the work and three years after for all laborers and mechanics working on the site of work. The contractor is required to submit weekly certified payrolls for every week during the project, including weeks where no work on the project was performed. Each weekly payroll must include the name of every employee who worked during the reporting period, their address, Social Security Number (or last four digits), number of hours worked per day, labor classification, pay rate and deductions for each worker. Additionally, the payroll must be submitted with a statement of compliance that is executed by an authorized officer of the contract of subcontractor who supervises the payment of wages. Each weekly statement must be delivered or mailed to the recipient within seven days of the regular payment date of the payroll period.

Certified Payroll Reviews

The prime contractor should review each subcontractor's payroll reports for compliance prior to submitting the reports to the contract administrator. Remember, the prime contractor is responsible for the full compliance of all subcontractors on the contract and will be held accountable for any wage restitution that may be found due to any laborer or mechanic that is underpaid and for any liquidated damages that may be assessed for overtime violations. All the payroll reports for any project must be submitted to the contract administrator through the prime contractor.

The contractor is required to submit weekly certified payrolls for every week during the project, including weeks where no work on the project was performed. Each weekly payroll must include the name of every employee who worked during the reporting period, their address, Social Security Number (or last four digits), number of hours worked per day, labor classification, pay rate and deductions for each worker. Additionally, the payroll must be submitted with a statement of compliance that is executed by an authorized officer of the contract of subcontractor who supervises the payment of wages. Each weekly statement must be delivered or mailed to the recipient within seven days of the regular payment date of the payroll period.

After the prime contractor has reviewed the payrolls and paid the employees, the recipients' designated Labor Officer (LO) must review the CPRs to ensure that the information is correct. During the review if errors are noted, the LO should complete a CPR review log and catalogue issues identified. The LO should use this information to determine if any training or technical assistance is required to correct any CPR issues.

Payrolls and related records must be maintained by the contractor during the course of the work and five years after for all laborers and mechanics working on the site of work.

ix. **Corrective Certified Payroll**

When issues are identified on a CPR during the review process, the contractor should be notified. The LO will return any incorrect CPRs to the contractor, clearly indicating the specific areas that require correction. Upon notification, the contractor must first determine whether the errors are on their own CPR or a subcontractor's CPR.

Common errors found in CPRs include:

- Inadequate or missing payroll information
- Absence of required identification numbers
- Incomplete payroll submissions
- Use of job classifications not listed in the applicable wage decision
- Incorrect wage rates
- Indications of potential falsification

To address the correction on a CPR, the contractor should create a new CPR for that same week, with "Correction" noted by the week number or date. The contractor should then complete the CPR so that the errors are addressed.

Note: If corrections result in restitutions owed to the worker, the contractor must pay the restitution to the impacted worker and submit the corrected CPR to the LO to resolve the issue. The LO can request that the contractor provide proof of payment via cancelled check in order to resolve the issue.

x. **Restitution**

Restitution is the result of underpayments of wages, to include fringe benefits, to construction workers. Restitution occurs when the total hourly wage rate, including fringe benefits, is under the total hourly wage rate on the executed wage decision for the classification reported. When Labor Officers are conducting spot reviews of CPRs, it is important that Labor Officers review total hourly wage rates with employee interviews and compare the compensation to the executed wage decision to confirm each wage rate is in alignment.

xi. **Liquidated Damages**

Liquidated Damages are assessed against a contractor or subcontractor when a worker is underpaid during a work week where overtime occurred. More information about liquidated damages can be located under the Contract Work Hours and Safety Standards Act (CWHSSA).

Identification of Liquidated Damages

If the recipient LO identifies instances where restitution was earned on overtime hours, it should be recorded in the CPR review log. After the LO has recorded the occurrences of overtime restitution, the violation should be reported to the County point of contact immediately. The LO should continue with the CPR correction process while waiting for further instructions from Baldwin County.

xii. Unfound Workers

Recipients' Labor Officer could identify restitution, of straight time and/or overtime, due to workers at stages in the construction where the worker is no longer working on the construction site. Depending on when the need to provide restitution to a worker is identified, that worker may not be able to be located. That worker is typically called an "unfound worker". An unfound worker is typically a worker who is transient, meaning the worker goes from job to job and does not have a stable home location, or has left the construction company prior to the restitution being identified. When this happens, it is the responsibility of the construction company, or prime contractor, if the construction company will not locate the worker, to make multiple attempts to locate the worker(s) that is owed the restitution. Attempts to locate worker should be documented.

While HUD and DOL do not specify how long a contractor or prime have to locate a worker before they are deemed unfound workers, the County recommends that a worker is deemed as an unfound worker if the worker still hasn't been located prior to post construction. Post construction is the period after the majority of construction has been completed and the prime contractor is addressing the "punch list" items. At this stage, the recipient has not paid most or all of the retainage. This allows the contractor or prime contractor to use either the unpaid retainage or other company funds to cover the costs of the restitutions to be paid to the unfound worker. Additionally, if the contractor or prime contractor is unwilling to pay the restitution, the recipient can use the retainage to pay restitution and fund any escrow account.

xiii. Escrow Account

At construction completion, the prime contractor must notify the recipient about the unfound worker(s). The prime contractor will provide a list that contains:

1. The name of the contractor,
2. The unfound worker's name,
3. The unfound worker address,
4. The unfound worker SSN, and
5. Amount of restitution owed to the unfound worker.

Once the recipient has received the information from the prime contractor, an escrow account with the unfound worker's name must be opened. The recipient will supply the SSN and address as necessary. The recipient will need to maintain the unfound worker SSN to help confirm identity if the worker attempts to claim outstanding funds. The funds transferred into the escrow account will be funded by the contractor and/or prime contractor.

Creation of an escrow account will prevent any unnecessary delays in project and/or grant closeout with the County. The escrow account will be held by the recipient for a period of three (3) years. During the three (3) years, the recipient should take actions to locate the worker. This can range from:

1. Advertisement in newspaper,
2. Social media searches, or
3. Posting on any unclaimed money website hosted by the State of Alabama.

It is recommended that the recipient alert the County to the unfound worker and escrow account at time of creation.

When the County is informed of the creation, and funding of the account, the designated individual will track the following information in coordination with the recipient:

1. Escrow account creation date,
2. Unfound worker name,
3. Restitution amount,
4. Contractor name,
5. Three-year deadline,
6. Status of account (open/closed).

The County will coordinate with ADECA to return unfound worker funds to HUD.

xiv. Enforcement Reports

For certain HUD-4710 reports from Recipients and Developers, a Section 5.7 Enforcement Report submission may be necessary. The LO will request this from those projects that meet the applicable criteria. Pursuant to 29 CFR 5.7(a), when there are underpayments by a contractor or subcontractor that total \$1,000 or more, or where there is reason to believe that the contractor or subcontractor has disregarded its obligations to workers or subcontractors, and where restitution has not been effected and future compliance assured, the County must attach to its HUD-4710 submission a report of its investigative findings and recommendations called a Section 5.7 Enforcement Report.

During each reporting period, if restitution is owed and the necessity of a Section 5.7 Enforcement Report is unclear, recipients and developers should consult with County program staff for guidance. Program staff should review the following criteria to determine if a Section 5.7 Enforcement Report is required and if immediate reporting to HUD is necessary:

- Restitution of \$1,000 or more within the reporting period:
 - If yes,
 - Does the recipient or developer suspect a willful violation of Davis-Bacon and Related Acts (DBRA) requirements?
 - If yes, what evidence supports this suspicion?
 - Program staff should immediately contact the County's LO for clarification on necessary documentation to provide HUD with sufficient information for further action.
 - If no, a Section 5.7 Enforcement Report is required for the County, but immediate reporting to HUD is not necessary.
- Restitution of less than \$1,000 within the reporting period:
 - Does the recipient or developer suspect a willful violation of the DBRA requirements?
 - If yes, a Section 5.7 Enforcement Report must be submitted to the County's LO for reporting to HUD.

- Program staff should request all supporting evidence from the recipient or developer.
- If no, a Section 5.7 Enforcement Report is not required, but the restitution must be calculated and included in the appropriate 4710 reporting form.

This report is a factual summary report detailing any violations including any data on the amount of restitution paid, the number of workers who received restitution, liquidated damages assessed under the Contract Work Hours and Safety Standards Act, corrective measures taken (such as “letters of notice” or remedial action taken for violations of 5.5(a)(11) or (b)(5)), and any information that may be necessary to review any recommendations for an appropriate adjustment in liquidated damages under 5.8.

xv. Force Account Labor

Force account labor occurs when an entity uses their own workforce to complete construction of a CDBG-DR project funded with federal funds. The County must justify the use of force account labor by demonstrating that this labor is cost effective and that qualified personnel are available to accomplish the work. The County acknowledges that proceeding without prior approval risks disallowance of all incurred costs.

b. Section 3

Section 3 of the Housing and Urban Development Act of 1968 (Section 3), as amended, requires that economic opportunities generated by CDBG-DR funds be targeted toward Section 3 residents. Section 3 eligible residents are low- and very low-income persons, particularly those who live or reside in public or government assisted housing. HUD updated Section 3 regulations effective November 30, 2020 (85 FR 61524), increasing the project threshold and changing reporting designations for Section 3 workers.

Section 3 workers and business are defined under 24 CFR 75 as:

- **Section 3 workers:** Low or very low-income individuals (< 80% Area Median Income (AMI)), current or previous YouthBuild participants, and/or individuals employed by a Section 3 Business Concern.
- **Section 3 Business Concern:** Fifty-one percent owned by low- or very low-income persons; or greater than seventy-five percent labor hours are performed over prior three-month period performed by low- or very low-income workers; or greater than fifty- one percent owned or controlled by current residents of public housing or Section 8- assisted housing.
- **Targeted Section 3 workers:** Section 3 workers living within the defined service area of the project, current or previous YouthBuild participants, and/or employed by a Section 3 Business Concern.

In accordance with Section 3, recipients using CDBG-DR funding for housing or other public construction are required, to the greatest extent feasible, to provide training and employment opportunities to lower income residents and contract opportunities to businesses in the project area.

The County requires its LGRIP and CPIP recipients to comply with state procurement laws following accordance with Section 3, and requires Section 3 compliance from recipients and their contractors and/or developers. Actions include:

- Prepare and utilize a Section 3 Plan,
- Designate a Section 3 Coordinator,
- Take affirmative steps to follow the Section 3 Plan and document best efforts,
- Reporting on key outcome benchmarks,
- Promoting sustained employment and career development,
- Creating targeted benchmarks for Section 3-covered assistance,
- Align reporting with standard business practices; and
- Include the “Section 3 Clause and the Contractor Certification of Efforts to Fully Comply with Employment and Training Provision of Section 3” in any bid packets for contracts on DR projects. Notify all bidders that adherence to the recipient’s Section 3 Plan will be required for contracts and sub-contracts on projects at or above \$200,000.

Contractors with applicable contracts are expected to report to the LGRIP and CPIP recipients on a monthly basis the number of hours worked by Section 3 workers and Targeted Section 3 workers as a percentage of total labor hours on the project:

$$\frac{\text{Total Section 3 Labor Hours}}{\text{Total Labor Hours (Project)}} = 25\% \text{ or more}$$

$$\frac{\text{Targeted Section 3 Labor Hours}}{\text{Total Labor Hours (Project)}} = 5\% \text{ or more}$$

Note: Section 3 benchmarks are separate percentages, not a cumulative total.

To assist LGRIP and CPIP recipients on implementing Section 3, tracking Section 3 Labor Hours, and additional requirements please refer to *Baldwin County’s Section 3 Compliance Guidance* on the County’s [CDBG-DR](#) webpage.

IX. Duplication of Benefits (DOB)

<https://baldwincountyal.gov/departments/grants/cdbg-drhttps://www.federalregister.gov/documents/2019/06/20/2019-13147/updates-to-duplication-of-benefits-requirements-under-the-stafford-act-for-community-development>CDBG-DR grants are one of multiple Federal sources which assist disaster recovery. These sources of Federal assistance often can be used for the same purposes by grantees and disaster survivors.

Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act) prohibits federal agencies from providing assistance to any “person, business concern, or other entity” for any loss to which the recipient has already received financial assistance from another source (42 U.S.C. 5155(a)). Recipients of CDBG-DR funds must ensure that each project provides assistance only to the extent that project funding needs have not been met by another source. For this reason, the Stafford Act (42 U.S.C. 5121–5207) and CDBG-DR appropriations acts require HUD and its grantees to coordinate with other Federal and State

agencies that provide disaster assistance to prevent the Duplication of Benefit (DOB). The Stafford Act's prohibition on DOB aims to ensure that federal assistance serves only to "supplement insurance and other forms of disaster assistance" (42 U.S.C. 5170).

A DOB occurs when a person, household, business, or other entity receives disaster assistance from multiple sources for the same recovery purpose, and the total assistance received for that purpose is more than the total need. The amount of the DOB is the amount received in excess of the total need for the same purpose. Baldwin requires recipients of LGRIP and CPIP to implement the County's policies and procedures for addressing potential DOB when implementing the design and administration of programs and projects. DOB is to be calculated at the application, before award, and assessed again after the project is complete.

To avoid any duplication of benefits, Baldwin County will use the following procedures on all CDBG-DR infrastructure projects: 1.) assess applicant's total need; 2.) identify total assistance; 3.) exclude non-duplicative amounts; 4.) exclude funds for a different purpose; 5.) exclude funds for the same purpose, different allowable use; 6.) identify a final DOB amount (if any) and calculate the CDBG-DR award (must be less than or equal to the award cap); and 7.) reassess unmet need when necessary to identify any further potential forms of assistance.

There are many potential sources of assistance that must be checked. FEMA, SBA, and local data sharing agreements should be entered into. For infrastructure programs, sources of DOB would likely come from FEMA, U.S. Army Corps of Engineers, state or local government programs, or other federal funds. These funds cannot be used to reimburse CDBG-DR activities. CDBG-DR funds are to be used as a funding of last resort.

All subgrantees and subrecipients will be required to sign a subrogation agreement, which is an agreement to repay any assistance later received for the same purpose as the CDBG-DR fund. If a duplication is identified after assistance is provided, CDBG-DR funds will be recaptured from the applicant.

Baldwin requires recipients of LGRIP and CPIP to implement the County's policies and procedures for addressing potential DOB when implementing the design and administration of programs and projects. At a minimum, these procedures include required actions for:

- Verifying all sources of disaster assistance.
- Determining the amount of the unmet need (for projects or applicant-based programs) before determining or awarding assistance.
- Ensuring recipients or beneficiaries enter a signed agreement to repay the assistance if they later receive other disaster assistance for the same purpose.
- Identifying a method to monitor compliance with the terms of the agreement for a reasonable period.
- Identifying the personnel or unit of government responsible for carrying out the DOB review.

- The completion and retention of documentation demonstrating the review process in compliance with CDBG-DR record keeping requirements.

For additional clarifications on DOB, please view the following resources:

- Duplication of Benefits Notice, June 2019 ([84 FR 28836](#))
- [HUD Webinar: Duplication of Benefits - Understanding and Applying the Requirements](#)

DOB Example:

Estimated Cost of Repair: \$1 million

Assistance Received: \$25,000 in FEMA Public Assistance

\$225,000 in State grants

= \$250,000 in total assistance available (DOB amount)

Total cost (\$1 million) – DOB amount (\$250,000) = \$750,000 CDBG-DR award maximum

X. Cross-Cutting Requirements

CDBG-DR projects funded by the County will need to ensure compliance with all cross-cutting requirements throughout the project life. This may require the County and recipients to review completed actions and determine if it satisfies all federal requirements. For recipients who were awarded CDBG-DR funding but exhibit a low capacity to implement project(s), the County will prioritize capacity building efforts (e.g., training, individual technical assistance and LGRIP onboarding sessions) to ensure project completion concerns and risks are mitigated.

This could require the recipient to complete due diligence actions as a condition of receiving the award, as determined by the County. The recipient will have an opportunity to reach out to the County and receive assistance on what actions may be required for program participation and compliance.

a. Procurement & Contracting

i. Procurement

When procuring goods and services for CDBG-DR funded projects, the Baldwin County Commission and its recipients will comply with regulations [2 C.F.R. § 200.318-327](#), or any more restrictive procurement procedures imposed pursuant to the Baldwin County Commission's Purchasing policies, or the procurement procedures found in [§ 41-16-50, et seq.](#) and [§ 39-2-1, et seq.](#), Alabama Code 1975.

ADECA must review and approve all procurement packages, bid documents, and contracts for CDBG-DR funded projects prior to publication. Baldwin County will coordinate with LGRIP and CPIP project owners to compile bid packages and lead submission and communications with ADECA on the document review to receive ADECA's formal concurrence prior to the procurement release.

The procurement ACTIVITIES must also include:

- Mandatory Pre-bid meeting to explain all project and compliance requirements, including providing economic opportunities to minorities, women, Section 3 contractors, and Section 3 residents;
- Public bid opening where bids are read aloud and recorded.

Further details on procurement and contracting requirements and procedures for CDBG-DR projects, including templates and forms, can be found in [Purchasing Policies and Procedures for Grants](#) on the County's [CDBG-DR](#) webpage.

ii. Conflict of Interest and Confidentiality

Conflict of interest requirements are dictated by HUD as well as Alabama state and local law. Alabama's conflict of interest standards of conduct applies to all procurement activities, while all non-procurement activities (acquisition and disposition of property, direct assistance to individuals, businesses) are subject to HUD requirements described in [570.489\(h\)](#).

The general rule is that persons acting on behalf of state or local government in a state CDBG-DR decision making role or who are in a position to gain inside information (and their family members) cannot obtain a financial interest or benefit from state CDBG-DR funded activities. Prohibition ends one year after the decision-making person has left their position.

If the County requests an exception for state employees or agents, HUD would evaluate and decide the outcome. Factors to be included in exception requests and considered when evaluating them include:

- Whether the exception would provide a significant cost-benefit or essential degree of expertise that would otherwise be missing,
- Whether an opportunity was provided for open competitive bidding,
- Whether the person affected is a member of a group or class of low- or moderate-income persons intended to be the beneficiaries, and the exception will allow the person to receive the same benefits as other members of the class,
- Whether the person has withdrawn from the role of decision-maker,
- Whether the interest or benefit was present before the affected person became an employee, agent, consultant, officer, or elected official or appointed official of the state, or locality, or of any designated public agencies, or recipients which are receiving CDBG- DR funds,
- Whether undue hardship will result to the state, the County or affected person when weighed against the public interest,
- Any other relevant considerations; and
- Request for exception must include public disclosure & attorney opinion that exception does not violate state or local law.

iii. Debarment and Suspension (SAM.gov Check)

Recipients and contractors are subject to the non-procurement debarment and suspension regulations implementing Executive Orders [12549](#) and [12689](#), as well as [2 CFR part 180](#). The regulations in [2 CFR part 180](#) restrict making Federal awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from receiving or participating in Federal awards.

Prior to recipients entering into and executing agreements with contractors, the recipient must log into [Entity Information | SAM.gov](#) and enter in the contractors information. The following information needed to conduct a SAMs check:

1. Company Legal Name
2. Name of Principals/Owners of the Company
3. Company EIN Number

After the recipient has determined that the contractor is not a debarred or suspended contractor, it should print out a dated SAMs Clearance. Clearance documents must be maintained in the file for future use.

b. Contract Management

i. Oversight of Contractors

Recipients of program funds must maintain oversight to ensure that contractors and subcontractors perform in accordance with the terms, conditions, and specifications of their contracts and/or purchase orders.

ii. Contract Price

Firm Fixed Price Contracts

A firm-fixed-price contract provides for a price that is not subject to any adjustment on the basis of the contractor's cost experience in performing the contract. This contract type places upon the contractor maximum risk and full responsibility for all costs and resulting profit or loss. It provides maximum incentive for the contractor to control costs and perform effectively and imposes a minimum administrative burden upon the contracting parties. The contracting officer may use a firm-fixed-price contract in conjunction with an award-fee incentive (see [16.404](#)) and performance or delivery incentives (see [16.402-2](#) and [16.402-3](#)) when the award fee or incentive is based solely on factors other than cost. The contract type remains firm-fixed-price when used with these incentives.

Time and Material

The recipient may use a time-and-materials type contract only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Time-and-materials type contract means a contract whose cost to a recipient or recipient is the sum of:

- The actual cost of materials; and
- Direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

Because this formula generates an open-ended contract price, a time-and-materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, each contract must set a ceiling price that the contractor exceeds at its own risk. Further, the recipient or recipient awarding such a contract must assert a high degree of oversight to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

Cost Plus Contracts

The recipient must not use the “cost plus a percentage of cost” and “percentage of construction costs” methods of contracting. If a recipient is unsure if a contract is cost plus the cost of construction, it must reach out to the County immediately. Any executed cost plus the cost of construction contracts will be deemed ineligible and any funds expended must be repaid to the County.

iii. Required Contract Provisions

In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable.

- Contracts for more than the simplified acquisition threshold, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by [41 U.S.C. 1908](#), must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.
- All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be affected and the basis for settlement.

The full list of required contract clauses for all infrastructure projects can be found under Appendix A: Federal Compliance Requirements for CDBG-DR Funding & Applicability

iv. Performance Goals/Measures

ADECA and Baldwin County will establish performance goals and objectives for each project during program planning and design that align with reporting needs for the CDBG-DR program (see [§ 200.202](#)). The County will clearly communicate the specific project goals and objectives in the contract or agreement, including how the project will measure the achievement of the goals and objectives, the expected timeline, and information on how the project must report the achievement of program goals and objectives. The project owner should also clearly communicate any expected outcomes (such as outputs, service performance, or public impacts of any of these), indicators, targets, baseline data, or data collections that the recipient is responsible for measuring and reporting. The project owner must ensure all requirements for measuring performance align with the strategic goals, strategic objectives, or performance goals relevant to a program.

c. Uniform Relocation and Real Property Acquisition Act, as Amended

The implementing regulations for the URA are found at [49 CFR 24](#). The URA’s major objective is to minimize displacement and ensure that property owners and displaced persons impacted by federally funded projects are treated fairly, consistently and equitably; that property owners are paid a fair market price for their property; and displaced persons are provided required relocation assistance.

Baldwin County must comply with the URA for its HUD-funded programs and will ensure any projects that include acquisition of property and that may require residents to relocate follow the

regulations, procedures, and requirements under URA. The URA recognizes two types of acquisitions: involuntary and voluntary.

i. Voluntary Acquisition

The County and LGRIP and CPIP recipients must understand the critical difference between acquisition of property when the sale is voluntary or involuntary. The difference between these two types of transactions is similar to the difference between temporary relocation and permanent displacement, in that, both temporary relocation and voluntary sales are much more common in CDBG-DR funded activities and much easier to manage. Both permanent displacement and involuntary sales are much more complex and create a great deal more work to manage compliance requirements; as such they are often handled by professional consultants. Because voluntary sales are the norm for most programs and projects, this will be addressed first.

If a project includes an involuntary sale, then the second part of this section is important in ascertaining if the project owner has the capacity to conduct this activity or if it would be best to hire a professional consultant with the necessary expertise to assist with the process to ensure proper compliance. While there are protections for sellers in both voluntary and involuntary sales, only involuntary sales trigger the URA requirements for the formal acquisition process. The formal acquisition process using eminent domain requires the use of knowledgeable attorneys.

Federal acquisition rules apply to sales with federal assistance whenever:

1. Title to the property is purchased,
2. Permanent easements- not temporary easements –are purchased,
3. Someone holds a life estate to the property; or
4. Someone holds a long-term lease to the property, which allows for an extension of fifty years or more.

Acquisition rules must also be followed whenever the County:

1. Undertakes the purchase of property directly,
2. Provides a non-profit or for-profit entity with funds to purchase the property,
3. Hires an agent or consultant to act on their behalf; and
4. Provides federal assistance to individuals who are acquiring their own home.

All CDBG-DR funded property acquisition or other activities which involve displacement or relocation (temporary or permanent) of low-income households or which involve the demolition or conversion of residential units occupied by low-income households must adhere to the requirements of two federal laws--Section 104(d) of the Housing and Community Development Act of 1974, as amended, and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended--and their implementing regulations. Section 104(d) regulations do not apply to acquisition if the project does not include conversion or demolition. The primary purpose of these laws is to ensure that when CDBG-DR funded projects result in the demolition or conversion of units occupied by targeted income group persons, all affected persons receive the proper relocation assistance and benefits.

State law often has an impact on federally funded acquisition; therefore, recipients must be familiar with these requirements as well as the URA rules. When federal, state, or local laws are not consistent with each other, recipients must comply with whichever is the most restrictive.

ii. Involuntary Acquisition

Involuntary acquisitions are subject to the provisions of Subpart B of the URA, while voluntary acquisitions are exempt from those provisions.

iii. Section 104(d)

The regulations for Section 104(d) can be found at 24 CFR 42. Section 104(d) requires relocation assistance for lower-income individuals displaced as a result of the demolition or conversion of a lower-income dwelling. In addition, it requires a one-for-one replacement for lower income units demolished or converted to other uses.

d. Anti-Fraud Waste and Abuse

This section outlines the measures for identifying and preventing fraud, waste, and abuse by entities participating in the LGRIP and CPIP CDBG-DR program receiving assistance related to the impacts in Baldwin County. LGRIP and CPIP Program recipients are expected to adhere to the highest standards of honesty and integrity in their interactions with the program.

Definitions:

- **Fraud:** Any intentional misrepresentation, concealment of information, or deceptive act by a recipient to obtain funds for which they are not eligible, or to receive a greater benefit than entitled. This includes, but is not limited to:
 - Falsifying repair invoices or contractor bids.
 - Submitting duplicate claims for assistance.
 - Conspiring with others to commit fraudulent acts.
- **Waste:** The careless or extravagant use or misuse of program resources provided to the recipient. While not necessarily intentional, waste can result in the inefficient use of CDBG-DR funds. This includes, but is not limited to:
 - Unjustifiable delays in completing repairs or projects funded by the program.
 - Failure to properly maintain program-assisted property, leading to further damage or premature deterioration.
 - Using program funds for purposes clearly outside the scope of eligible activities.
- **Abuse:** Actions that involve the improper use of the program's assistance or processes for personal gain or advantage, or in a manner inconsistent with the program's objectives. This can include:
 - Pressuring program staff for preferential treatment.
 - Misrepresenting needs or circumstances to gain priority over other eligible applicants.
 - Using program-funded repairs or assistance for purposes other than those approved.

The following measures are in place to prevent fraud, waste, and abuse by program recipients:

- Thorough Application Review and Verification – Baldwin County will conduct thorough reviews of all applications and supporting documentation.
- Regular Monitoring and Inspections – Baldwin County will conduct regular monitoring of program-assisted activities, including inspections of repaired or reconstructed properties, to ensure compliance with program requirements and the appropriate use of funds.
- Documentation Requirements – Recipients will be required to maintain adequate documentation related to the use of program funds, such as invoices, receipts, and contractor agreements, and to make these records available for review upon request.
- Oversight of Contractors – Recipients will implement measures to oversee the work of contractors hired using CDBG-DR funds, including guidance on procurement, review of bids, and verification of completed work.
- Data Analysis and Risk Assessment – Program data will be analyzed to identify potential patterns or indicators of fraud, waste, or abuse, allowing for targeted reviews and investigations.

The following may indicate potential fraud, waste, or abuse:

- Inconsistencies or discrepancies in application information or supporting documentation.
- Conflicting information from different sources.
- Reports or complaints from program staff, contractors, or other participants.
- Refusal to provide requested documentation or access to program-assisted projects.
- Substantial deviations from approved project plans without proper justification.

Baldwin County, program recipients, and the public are required to report any suspected instances of fraud, waste, or abuse related to Baldwin County LGRIP and/or CPIP projects immediately through the established reporting channels outlined in the Local Recovery Plan (Section 3 Complaints). Be aware of the potential for contractor fraud. If you suspect any fraud please contact the county at BCC@baldwincountyal.gov. You may also contact the HUD OIG Fraud Hotline (phone: 1-800-347-3735 or email: hotline@hudoig.gov). All reports will be taken seriously and investigated appropriately.

Recipients found to have committed fraud, waste, or abuse may be subject to a range of consequences, including:

- Repayment of improperly received funds.
- Termination from program.
- Inclusion in the System Award Management System (sam.gov) as debarred or suspended, which bars debarred or suspended entities from participation for three (3) years.
- Referral to law enforcement agencies for potential criminal prosecution, if warranted.

e. Civil Rights

- i. [Americans with Disabilities Act](#) (Section 504 of the Housing and Community development Act, as amended)

Baldwin County takes affirmative steps to ensure that qualified persons with disabilities are informed of the availability of program services and activities, and all disaster recovery

programs, or services are readily accessible to, and usable by, individuals with disabilities. The County also ensures that handicapped persons are provided with benefits and services as those provided to non-handicapped individuals, and that all programs and activities are accessible, both structurally and administratively, to handicapped and disabled persons. The types of reasonable accommodations that can be provided include accommodations or adjustments to a rule, policy, practice, or service. The County, project partners, and contractors are required to follow the ADA.

The County will ensure CDBG-DR programs and services do not discriminate based on disability and all buildings and facilities comply with Title II accessibility requirements, such as curb ramps at intersections and no barriers to entry from street level.

ii. Civil Rights and Non-Discrimination

The County is required to comply with the Civil Rights requirements of Title I of the Housing and Community Development Act and the [Fair Housing Law](#). Recipients must demonstrate compliance with the following requirements contained in the Housing and Community Development Act and will include these requirements as part of all applicable CDBG-DR projects.

- Affirmative steps to promote fair and equal access to housing must be taken, regardless of the type of grant,
- Equal opportunities must be afforded to all persons,
- No person shall be excluded or denied program benefits on the basis of race, color, religion, sex, national origin, age or disability; and
- Minority and female-owned businesses must be informed of grant funded contracts. Affirmative steps must be taken to assure this,
- To the greatest extent feasible, Section 3 residents and business owners should be given preference in employment, training, and contracting.

iii. Equal Employment Opportunities

Baldwin County is an Equal Employment Opportunity (EEO) employer. The County is committed to maintaining an environment that values diversity in which all its employees are free from illegal discrimination and harassment. Decision affecting all County employment practices, including, recruitment, selection, promotions, terminations, transfers, layoffs, compensation, training, benefits, and other terms and conditions of employments, are made without regard to race, color, religious creed, national origin, sex, age (40 and older), physical disability (including HIV and AIDS), ancestry, mental disability, medical conditions (including cancer), marital status, sexual orientation, gender identity, veteran status, or any other basis protected by federal or state statutes. This policy also protects employees exercising their rights under the Family and Medical Leave Act (FMLA), the Pregnancy Discrimination Act and related statutes. The County is committed to an affirmative action program, including goals and timetables, to overcome the effects of past discrimination of minorities and women. For more information on Baldwin County's EEO policy and plan please reference:

- [Baldwin County Resolution #2024-168](#) for adoption of affirmative action and EEO in the Local Recovery Plan,

- [General Personnel Policies, A. Equal Employment/Workplace Discrimination and Harassment Policy](#),
- [Equal Employment Opportunity – Know Your Rights 2023](#), and
- [Equal Employment Opportunity – Know Your Rights 2023 \(Spanish\)](#).

Recipients and contractors that receive CDBG-DR funding through Baldwin County for CPIP or LGRIP projects are not subject to Baldwin County's EEO policies, but are expected to have EEO policies in place for employees that meet Alabama and federal employment requirements and practices. Baldwin County, ADECA, or HUD may request copies of EEO policies during a monitoring event, or if a need arises related to the project or CDBG-DR funds.

iv. M/WBE Enterprises

Minority Business Enterprises (MBEs) are entities that are at least 51 percent owned and/or controlled by a socially and economically disadvantaged individual as described by Title X of the Clean Air Act Amendments of 1990 (42 U.S.C. 7601 note), and Public Law 102-389 (42 U.S.C. 4370d), respectively.

Women's Business Enterprises (WBEs) are entities that are at least 51 percent owned and/or controlled by women (under the 10 percent and 8 percent statutes).

2 CFR 200.321 requires all non-Federal entities to take all necessary affirmative steps to ensure that all contractors, subcontractors, and/or developers funded in whole or in part with HUD CDBG-DR funds ensure that contracts and other economic opportunities are directed to small and minority firms, women's business enterprise, and labor surplus area firms when possible. Affirmative steps include:

1. Placing qualified small and minority businesses and women's business enterprises on solicitation lists,
2. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources,
3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises,
4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises,
5. Using the services and assistance, as appropriate, of such organizations as the SBA and the Minority Business Development Agency of the Department of Commerce; and
6. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) above.

The County and project partners must have sufficient documentation to show a good faith, comprehensive and continuing M/WBE outreach process, which includes:

- Supported statement of public policy and commitment, published in the print media of the widest local circulation,
- Support from an office and/or a key, ranking staff person with

oversight responsibilities and access to the chief elected official,

- Utilization of all available and appropriate public and private sector local resources.

To ensure inclusion of entities owned by minorities and women, to the maximum extent possible, the County and project partners:

- Develops a systematic method for identifying and maintaining an inventory of certified M/WBEs, their capabilities, services, supplies and/or products.
- Utilizes the local media, electronic and print, to market and promote contract and business opportunities for DBEs, MBEs and WBEs.
- Develops informational and documentary materials (fact sheets, program guides, procurement forecasts, etc.) on contract/subcontract opportunities for DBEs, MBEs and WBEs:
 - Develops procurement procedures that facilitate opportunities for DBEs, MBEs and WBEs to participate as vendors and suppliers of goods and services,
 - Sponsors business opportunity-related meetings, conferences, seminars, etc., with DBEs, MBEs, and WBEs organizations,
 - Maintains centralized records with statistical data on the utilization and participation of DBEs, MBEs and WBEs contractors/subcontractors in all HUD-assisted program contracting activities.

ADECA's Office of Minority Business Enterprise provides outreach to MBEs, WBEs, and DBEs, and maintains a list of certified businesses on the Office's [website](#) that can be used as a resource for all projects.

XI. Reporting

a. Project Performance

Baldwin County is required to report on disaster recovery efforts on a monthly and quarterly basis to ADECA, for submission to HUD.

For all funded projects, recipients will be required to submit reporting on activity progress and project milestones with reimbursement requests each month. A report template will be provided for each project.

The Quarterly Progress Reports (QPR) are submitted to ADECA by the 10th of the month following the end of the quarter. Baldwin may request additional information on projects as needed to complete these reports.

b. Section 3 Reporting

Baldwin County is required to submit Section 3 data to ADECA on an annual basis. In order to accomplish this LGRIP and CPIP recipients must submit Section 3 progress reports on a quarterly basis for Baldwin to accurately track progress. LGRIP and CPIP recipients will be required to conduct qualitative Best Efforts and build in Section 3 reporting requirements into all applicable contracts. This will allow the County to track Section 3 performance on all projects and to aggregate the data for ADECA for timely reporting.

c. 4710 Semi-Annual Enforcement Report

HUD requires grantees to submit aggregated reports on its [Semi-Annual Labor Standards Enforcement Report](#) (4710 Report) twice a year (semi-annually). While ADECA is the HUD grantee, it is required of ADECA's recipients to submit 4710 Report every March and September in order for ADECA to have the required data. The Semi-Annual Enforcement Report is broken down into two sections.

Reporting Period 1: October 1 through March 31

Reporting Period 2: April 1 through September 30

Each LGRIP and CPIP recipient will aggregate the number of contracts executed during the reporting period and then aggregate the total dollar amount of all contracts executed during that reporting period. These reports must be provided to Baldwin County no later than the 5th of the month following the end of the reporting period.

Semi-Annual Enforcement Report Part I: In this section of the report Baldwin, via information provided by LGRIP and CPIP recipients, will aggregate data of all construction contracts executed during the reporting period.

PART I – NEW CONTRACTING ACTIVITY <i>Pertains ONLY to contracts awarded during the reporting period.</i>	
1. Number of prime contracts subject to the Davis-Bacon and Related Acts (DBRA) and/or the Contract Work Hours and Safety Standards Act (CWHSSA) <u>awarded this period</u> Note: Do not include contracts included in previous semi-annual reports	
2. Total dollar amount of prime contracts reported in item 1 above	

Please note: If a contract was not reported in the reporting period in which it was executed it must be reported in the following reporting period.

Semi-Annual Enforcement Report Part II: This section focuses on enforcement activities of:

- Complaints,
- Investigations into violations,
- Confirmed violations,
- Restitution and liquidated damages on federal prevailing wages, and
- Number of workers impacted.

Only report enforcement activities that occurred and were completed during the applicable reporting period.

CDBG-DR Local Recovery Infrastructure Program

PART II - ENFORCEMENT ACTIVITY

Identify all enforcement activity that occurred within this reporting period. Enforcement activity applies to newly awarded contracts listed in Part I and any existing contracts subject to DBRA and/or CWHSSA not previously reported.

1. Number of contractors against whom complaints were received:		
2. Number of investigations completed:		
3. Number of contractors found in violation:		
4. Amount of back wages found due:	DBRA	
	CWHSSA	
5. Amount of back wages paid:	DBRA	
	CWHSSA	
6. Total number of employees paid wage restitution under the DBRA and/or CWHSSA:		
7. Total amount of liquidated damages assessed:		

For instance, if an investigation was started on March 1st but no actions were taken until April 10th, that investigation would be reported in Period two and not Period one. In addition to Part II, if a contractor has incurred restitution at or above \$1,000 a Section 5.7 Enforcement Report must be completed and submitted to ADECA. ADECA will review the enforcement report and determine if it needs to be reported to HUD.

XII. Monitoring and Compliance

The County will engage in two types of monitoring activities, which will be conducted concurrently, in order to fully determine compliance with all regulatory, contractual, and performance requirements as stipulated in applicable agreements, amendments, and special conditions as defined in [2 CFR 200.332](#) and [2 CFR 200.329](#). The County's monitoring activities will include Financial Monitoring and Performance Monitoring.

The County shall conduct monitoring engagements in accordance with the County's Monitoring Plan, to ensure compliance with all federal regulations and executed agreements, including the timeframes and performance goals associated with the activities. Substandard performance will result in determination of non-compliance and will require corrective actions, up to termination of agreements and repayment of funds, to resolve.

a. Program and Financial Monitoring

As a pass-through entity, Baldwin County will monitor the activities of a recipient as necessary to ensure that the recipient complies with Federal statutes, regulations, and the terms and conditions of the subaward. The County is responsible for monitoring the overall performance of a recipient to ensure that the goals and objectives of the subaward are achieved. In monitoring a recipient, the County must:

- Review financial and performance reports.
- Ensure that the recipient takes corrective action on all significant developments that negatively affect the subaward. Significant developments include Single Audit findings related to the subaward, other audit findings, site visits, and written notifications from a recipient of adverse conditions which will impact their ability to meet the milestones or the objectives of a subaward. When significant developments

negatively impact the subaward, a recipient must provide the County with information on their plan for corrective action and any assistance needed to resolve the situation.

- Issue a management decision for audit findings pertaining only to the Federal award provided to the recipient from the County as required by [§ 200.521](#).
- Resolve audit findings specifically related to the subaward. However, the County is not responsible for resolving cross-cutting audit findings that apply to the subaward and other Federal awards or subawards. If a recipient has a current Single Audit report and has not been excluded from receiving Federal funding (meaning, has not been debarred or suspended), the County may rely on the recipient's cognizant agency for audit or oversight agency for audit to perform audit follow-up and make management decisions related to cross-cutting audit findings in accordance with section [§ 200.513\(a\)\(4\)\(viii\)](#). Such reliance does not eliminate the responsibility of the County to issue subawards that conform to agency and award-specific requirements, to manage risk through ongoing subaward monitoring, and to monitor the status of the findings that are specifically related to the subaward.

b. Performance Monitoring

Baldwin County and the recipient of program funds are responsible for the oversight of the Federal award. Each party must monitor their activities under Federal awards to ensure they are compliant with all requirements and meeting performance expectations. Monitoring by the County and recipients must cover each program, function, or activity.

XIII. Closeout

As part of project completion and closeout, the following documents are required to process final payment to a contractor:

- Contractor's Affidavit of Release of Liens
- Consent of Surety to Final Payment
- Final Invoice
- Proof of advertisement of completion which must be run in a paper of general circulation in the County one (1) time per week for three (3) successive weeks. (The original proof is needed).

Process for full project closeout is under development and will be updated once determined.

XIV. Record Management

LGRIP and CPIP recipients must maintain project records for a minimum of five years after closeout of the agreement between Baldwin County Commission and ADECA.

Recipients will maintain the following records to meet recordkeeping requirements imposed by applicable Federal statutes, regulations, and the recipient agreement, and to assist Baldwin County in meeting its recordkeeping and reporting requirements, including:

- Records providing a full description of each activity undertaken.

- Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG-DR program.
- Records required to determine the eligibility of restoration activities.
- Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance.
- Records documenting compliance with the fair housing and equal opportunity requirements of the CDBG program regulations.
- Financial records as required by [24 C.F.R. § 570.502](#), and [2 C.F.R. Part 200](#), including records necessary to demonstrate compliance with all applicable procurement requirements.
- Other records necessary to document compliance with the recipient Agreement, any other applicable Federal statutes and regulations, and the terms and conditions of the Federal award.

XV. Appendix

A. Federal Compliance Requirements for CDBG-DR Funding & Applicability