

RESOLUTION 250819-02

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEONARD, TEXAS, APPROVING THE REVISED CITY OF LEONARD POLICIES AND PROCEDURES FOR STATE AND FEDERALLY GRANT-FUNDED PROJECTS, WHICH IS ATTACHED AS EXHIBIT A; PROVIDING FOR A REPEALING CLAUSE AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, it is the responsibility of local government to ensure that public funds are managed in a prudent and financially sound manner; and

WHEREAS, the City of Leonard has established controls and procedures governing the procurement and expenditure, recordation, and accounting for all of its funds, including federally and state grant-funded projects, and wishes to adopt written policies and procedures; and

WHEREAS, the City of Leonard adopted a resolution adopting such policies and procedures on October 26, 2021, and has determined such policies and procedures need to be updated and adopted from time to time to ensure continued compliance with all applicable Federal laws and statutes; and

WHEREAS, the updated Procurement Policies and Procedures for Federal Grant-Funded Projects will establish the framework for operating practices and procedures to execute grant programs and projects; and

WHEREAS, the City Council deems it is in the public's best interest to continue to be eligible for grants through program compliance and to formally approve and adopt the Procurement Policies and Procedures for Federal Grant-Funded Projects;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LEONARD, TEXAS, THAT:

SECTION 1. Incorporation of Premises. The foregoing premises are findings of the City Council and are incorporated herein.

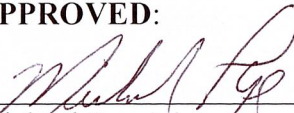
SECTION 2. Adopt Federal Procurement Policy. That, the City Council of the City of Leonard, Texas hereby adopts the Procurement Policies and Procedures for Federal Grant-Funded Projects is attached hereto as “**Exhibit A**” and is hereby adopted as the formal Federal Procurement Policy of the City.

SECTION 3. Severability. Should any section of this Resolution, or any amendments hereto, be adjudged or held to be unconstitutional, illegal, or invalid, such holding shall not affect the validity of this Resolution, other than the part decided to be unconstitutional, illegal, or invalid.

SECTION 4. Effective Date. This resolution shall take effect immediately from and after its passage, and it is duly resolved.

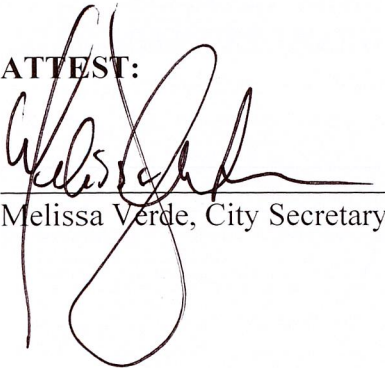
PASSED, APPROVED, and ADOPTED by the City Council of the City of Leonard, Texas, on this the 19th day of August 2025.

APPROVED:



Michael Pye, Mayor

ATTEST:



Melissa Verde, City Secretary

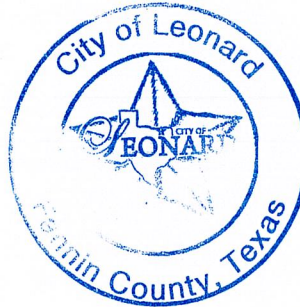


Exhibit “A”

Procurement Policies and Procedures for Federal Grant-Funded Projects

City of Leonard, Texas
PROCUREMENT POLICIES AND PROCEDURES
FOR FEDERAL GRANT-FUNDED PROJECTS (rev. 2025)

PREAMBLE

All procurements made by the City of Leonard, Texas (the “CITY”) involving the expenditure of Federal funds must be conducted in accordance with the procedures set forth in this Policy. This Policy is adopted to comply with all applicable Federal, State, and local government statutes and regulations, including the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in Title 2, Part 200 of the Code of Federal Regulations in effect on January 3, 2025.

It is the policy of the CITY to conduct all procurements in the highest ethical manner, and in accordance with all applicable laws and regulations. To the extent required by law and regulation, and the maximum extent practical, CITY will conduct all procurement transactions in a manner providing full and open competition, consistent with the standards set forth in Federal, State, and local government statutes and regulations.

Subject to specified cost thresholds and documented delegation of authority, all procurements will be reviewed by the City Administrator to ensure compliance with this Policy.

Internal Controls – 2 C.F.R. 200.303

The CITY will document segregation of duties. No one person will have control over every phase of each financial transaction. Monthly bank reconciliation and/or direct deposit monthly statements will be reviewed by the City Administrator.

The CITY will take prompt action when an instance of noncompliance is identified internally or through audit findings.

The CITY will take reasonable measures to safeguard protected personally identifiable information (PII) and other information that HUD or the GLO designates as sensitive or that the local government considers sensitive consistent with applicable federal, state, and local laws regarding privacy and obligations of confidentiality.

The CITYs policies and procedures governing their expenditures of CDBG-DR and/or CDBG-MIT funding include procedures to ensure the timely expenditure of funds, subject to the Period of Performance.

The CITY must incorporate performance requirements and liquidated damages into each procured contract used to provide discrete services or deliverables (except for Contracts that describe work performed by general management consulting services).

Budget and Accounting Records – 2 C.F.R. 200.305

The CITY will ensure all CDBG-DR and/or CDBG-MIT expenditures: (1) are authorized in an approved, documented budget; (2) do not exceed the approved, documented budget amount; and (3) do not exceed the amount in the Agreement.

to request a drawdown of CDBG-DR and/or CDBG-MIT funds to pay for project and vendor costs the CITY will either use: (1) the reimbursement method of funds paid based on invoices and costs already paid by the CITY, or (2) the case of advance method of funds based on invoices received and determined eligible for payment, but not yet paid by the subrecipient.

The CITY will establish a separate account for grant and local funds and ensure all CDBG-DR and/or CDBG-MIT funding received is held in an insured, interest-bearing account (2 C.F.R. 200.305(b)).

The CITY will elect to deposit CDBG-DR and/or CDBG-MIT funds into a non-interest-bearing account if the following conditions are met:

- A. Option 1:
 - a. The CDBG-DR funding is on a reimbursement basis AND evidence of liquidated expenditures accompany all future draw requests (e.g. cancelled checks).
- B. Option 2:
 - a. Federal funding is received in amounts less than \$250,000 per year, inclusive of any anticipated future CDBG-DR and/or CDBG-MIT awards, AND all interest-bearing accounts are evaluated and not reasonably expected to earn interest in excess of \$500.00 per year on Federal cash resources.

The CITY accounting records will clearly track CDBG-DR and/or CDBG-MIT grant funds separately from the general municipal fund will include, at a minimum, including but not limited to, distinct accounting information for separate eligible activities and federal grants, accurate records of encumbrances/obligations against these distinct line items when vendor contracts or purchase orders are issued, and accurate records on grant awards, unobligated balances, assets, liabilities, expenditures, program income, and applicable interest.

The CITY will adequately support financial records by providing source documentation, including contracts, invoices, and purchases orders.

The CITY's financial management system, including records documenting, will comply with federal statutes, regulations, and the terms and conditions of the federal award, will be sufficient to permit the preparation of reports required to demonstrate compliance with general and program-specific terms and conditions; and track the funds to a level adequate to establish that such funds have been used according to the federal statutes, regulations, and the terms and conditions of the Agreement and CDBG-DR or CDBG-MIT grant(s).

The CITY will maintain accounting systems or processes that provide for clear, real-time tracking of costs related to the CDBG-DR and/or CDBG-MIT grants, including by national objective, by most impacted and distressed geographies, and by targets outlined in the Agreement. Systems will be in place to ensure proficient management of programmatic cost caps, especially those set for project delivery (if applicable), engineering (if applicable), and program-specific award caps (e.g., per beneficiary assistance caps) (2 C.F.R. 200.302(a)).

The CITY will have effective control over, and accountability for, all funds, property, and other assets in its possession and make efforts to adequately safeguard all assets and assure that they are used solely for their intended purpose.

Financial records will include, but are not limited to, transaction registry documenting and source documentation. Examples of transaction registry documenting: all invoices associated with each request for payment, source of funds for each invoice (grant funds by activity, matching funds, and/or other funds). Examples of source documentation, include the following: copies of requests for payment; addendum record of direct deposit payments, verification of deposits, monthly bank statements with canceled checks, check register/transaction ledger from the subrecipient system of record, employee time sheets and payroll records, equipment time record sheets, property inventory, purchase orders, invoices, and contractor requests for payments, Electronic Transfer Form (EFT), and all original source documents.

General Procurement Standards – 2 C.F.R. 200.318

All procurements made by the CITY involving the expenditure of Federal funds must be conducted in accordance with the procedures set forth in this Policy.

The CITY will maintain oversight to ensure the contractors perform in accordance with the terms, conditions, and specifications of their contracts.

The CITY will maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts. No City employee, officer, or agent will participate in the selection, award, or administration of a contract supported by a federal award if he/she has a real or apparent conflict of interest.

The CITY procedures will avoid acquisition of unnecessary or duplicative items. Consideration will be given to consolidating or breaking out procurements to obtain a more economical purchase.

The CITY may, when appropriate, consider using federal excess and surplus property in lieu of purchasing new equipment, utilize value engineering clauses in contracts for construction projects that offer reasonable opportunities for cost reductions, and enter into state and local intergovernmental agreements where appropriate.

The CITY will award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be

given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

The CITY will maintain records sufficiently to detail the history of procurement. These records will include the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

The CITY 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. Each contract must set a ceiling price that the contractor exceeds at its own risk.

The CITY will assert a high degree of oversight regarding these types of contracts in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

The CITY will be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements.

Competition – 2 C.F.R. 200.319

It is the policy of the CITY to conduct all procurements in the highest ethical manner, and in accordance with all applicable laws and regulations. To the extent required by law and regulation, and to the maximum extent practical, the CITY will conduct all procurement transactions in a manner providing full and open competition, consistent with the standards set forth in 2 C.F.R. 200.319.

In order to ensure objective contractor performance and eliminate unfair competitive advantage, the CITY will ensure that contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Situations considered to be restrictive of competition include but are not limited to:

1. Placing unreasonable requirements on firms in order for them to qualify to do business
2. Requiring unnecessary experience and excessive bonding
3. Noncompetitive pricing practices between firms or between affiliated companies
4. Noncompetitive contracts to consultants that are on retainer contracts
5. Organizational conflicts of interest
6. Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement
7. Any arbitrary action in the procurement process

The CITY will conduct procurements in a manner that prohibits geographic preferences in the evaluation of bids and proposals, except in those cases where applicable federal statutes expressly mandate or encourage geographic preferences.

The CITY will utilize its written procedures for procurement transactions. These procedures must ensure that all solicitations:

1. Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such descriptions must not, in competitive procurements, contain features which unduly restrict competition. Detailed product specifications will be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a “brand name or equivalent” description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and
2. Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

The CITY will ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the CITY will not preclude any potential bidders from qualifying during the solicitation period.

The CITY will ensure that all federally funded noncompetitive procurements will only be awarded in accordance with § 200.320(c).

Methods of Procurement To Be Followed – 2 C.F.R. 200.320

The CITY will use documented procurement procedures, consistent with the standards of this section and including 2 C.F.R. 200.318-.319 for any of the following methods of procurement used for the acquisition of property or services required under a federal award or subaward. Procurements shall be made using one of the following methods: (A) Micro-Purchases (B) Small Purchase procedures, (C) Competitive sealed bids, (D) Competitive negotiations, (E) Non-competitive negotiation. All procurements shall be made in accordance with these procedures.

A. Micro-Purchases

Purchases below the Simplified Acquisition Threshold may be awarded without soliciting competitive proposals if the CITY considers the price to be reasonable. Efforts will be made to get the lowest and best price, but written records of such efforts are not necessary. Procurements may not be disaggregated for the purpose of falling below the Micro-Purchase threshold.

B. Small Purchases

Purchases of supplies, equipment and services which cost below \$50,000 require written supplier estimates but no formal is required. The CITY will solicit a verbal or written response from at least three (3) vendors and will document why the vendor was selected if it is not the lowest priced offeror. If no such responses are available, a statement explaining the procurement will be prepared and filed.

C. Competitive Sealed Bids

The use of sealed bids will be employed when detailed specifications for the goods or services to be procured can be prepared and the primary basis for the award is cost. When the cost of a contract, lease or other agreement for materials, supplies, equipment, or contractual services, other than those personal (procuring the services of an individual for staff augmentation services) or professional (provided by a degreed, licensed professional, principally engineering, accounting, and legal services), exceeds \$50,000, an Invitation for Bids ("IFB") notice will generally be prepared. This notice will be published in the CITY newspaper of record and/or such other places as the CITY deems appropriate. This notice will appear at least fourteen (14) days before the due date for bid proposals. The CITY may also solicit sealed bids from responsible perspective suppliers by sending them a copy of such notice. To the extent possible, CITY Staff are encouraged to maintain an open Bidders List.

The IFB will include a complete, accurate and realistic specification and description of the goods or services to be procured, any required bid deposit, the amount of a payment bond and bond performance required (if applicable), the location where bid forms and specifications may be secured, the time and place for opening bids, and whether the bid award will be made on the basis of the lowest price or the lowest evaluated price, If the lowest evaluated price is used, the measurable criteria to be used must be stated in the IFB,

Sealed bids will be opened in public at the time and place stated in the IFB. The bids will be tabulated by a TABULATOR at the time of bid opening. The results of the tabulation and the bid procurements will be examined for accuracy and completeness by an EXAMINER who will make recommendations to the CITY. In addition, the CITY shall determine that all firms are responsive and responsible. The CITY will make the decision as to whom the contract shall be awarded. After the bid award is made by the CITY, a contract will be prepared for execution by the successful bidder. After the contract is signed, all bid deposits will be returned to all unsuccessful bidders.

The CITY may cancel an IFB or reject all bids if it is determined that such is in the best interests of the CITY. Bidders will be notified in writing of such cancellation or rejection. The CITY may allow a vendor to withdraw a bid if requested at any time prior to the bid opening. Bids received after the time set for bid opening shall be returned to the vendor unopened. Bids which do not accept all terms and conditions of the IFB shall be deemed to be non-responsive and will be rejected. Any changes to the bidding terms and conditions shall be communicated to all bidders, and all bidders will have an equal chance to submit a bid responsive to those changed terms and conditions.

D. Competitive Negotiations

The CITY will use competitive negotiations, regardless of contract amount, upon a written determination that either of the following conditions apply:

1. Specifications cannot be made specific enough to permit the award of a bid on the basis of either the lowest bid or the lowest evaluated bid price (in other words, sealed bidding is not feasible); or
2. The services to be procured are professional (provided by a degreed, licensed professional, principally engineering, accounting, and legal services) in nature. Competitive negotiations will proceed as follows:
 - a. Proposals will be solicited through advertisement in the CITY newspaper of record and/or such other places that the CITY deems appropriate; additionally, a Request for Proposal (RFP) may be prepared and mailed, emailed, or faxed to qualified vendors. The RFP will describe services needed and identify the factors to be considered in the evaluation of proposals and the relative weights assigned to each selection factor. The RFP will also state where further details regarding the RFP may be obtained. The RFP will call attention to the applicable regulations. Requests for proposals will always include cost as a selection factor.
 - b. An award must be made to the offeror whose proposal is determined in writing by the CITY to be the most advantageous to the CITY with price and other factors considered. This evaluation and award process contemplates a balancing of cost and technical merit in arriving at a determination as to which proposal provides the best value to the CITY. Evaluations must be based on the factors set forth in the Request for Proposal and a written evaluation of each response prepared. The selection committee may contact the firms regarding their proposals for the purpose of clarification and record in writing the nature of the clarification. If it is determined that no acceptable proposal has been submitted, all proposals may be rejected. New proposals may be solicited on the same or revised terms, or the procurement may be abandoned.

For the procurement of certain professional services, an alternative to RFPs may be used. The CITY may publish a Request for Qualifications (“RFQ”). RFQ's are handled in a similar method to RFPs with the exception that cost is not a factor in the initial evaluation. The selection committee will evaluate the responses and rank them by comparative qualifications. The highest scoring person or firm will be contacted, and the CITY will negotiate cost. If the CITY is unable to negotiate a satisfactory cost arrangement, the second highest scoring person or firm will be invited to negotiate. The CITY will maintain a written record of all such negotiations.

E. Noncompetitive Negotiations

The CITY requires competitive bids for purchases of goods or services (including consulting services) however, some exceptions apply.

In some circumstances, when competition cannot be obtained or the situation necessitates the required number of competitive bids to be reduced, a Sole Source or Reduction Justification Form must be submitted. The following information is a guide for requesting the waiver or reduction of competitive bids on the RFP's for goods or services greater than \$50,000. The CITY may purchase

goods and services through noncompetitive negotiations when it is determined in writing by the CITY that competitive negotiation or bidding is not feasible and that:

SOLE SOURCE DEFINITION AND CRITERIA

A single supplier that is exclusively capable of meeting the CITY's requirements within the time available, including emergency and other situations which preclude conventional planning and processing. These situations include:

- a. One-of-a-Kind/Specialized - the commodity or service has no competitive product or must meet specialized seaport, boat, or marine requirements, or specialized professional or technical services, and is available from only one supplier.
- b. Compatibility - the commodity or service must match an existing brand of equipment for compatibility and is available from only one vendor.
- c. Replacement Part - the commodity is a replacement part for a specific brand of existing equipment and is available from only one supplier.
- d. Delivery Date only one supplier can meet necessary delivery requirements.
- e. Emergency - URGENT NEED for the item or service does not permit soliciting competitive bids; including purchases needed to address major facility failures, damages due to disasters or purchases necessary to address immediate safety and security issues.
- f. Only one satisfactory proposal is received through RFP or RFQ.
- g. The Federal or State awarding agency has authorized this particular type of noncompetitive negotiation.

Procurement by noncompetitive negotiation requires the strictest attention to the observation of impartiality toward all suppliers. The CITY must approve all procurements through non-competitive negotiation when only one supplier is involved or only one bid or response to an RFP/RFQ is received.

Bids will be accepted only from those contractors who have a proven record of ability to successfully complete the scope of work being bid. References will be requested along with the contractor's bid proposal. Any contractors submitting a bid must produce (along with his/her bid documents) written proof of liability insurance and worker's compensation coverage. Consideration will be given to such matters as contractor integrity, compliance with public record of past performance and financial and technical resources in awarding contracts.

CONTRACTS

Generally, all procurement in excess of the Simplified Acquisition Threshold will be memorialized and supported by a written contract. Where it is not feasible or is impractical to prepare a contract, a written finding to this effect will be prepared and some form of documentation regarding the transaction will also be prepared.

1. All contracts will contain language which allows the CITY the opportunity to cancel any contract for cause. Said cause shall include (but not be limited to) demonstrated lack of ability to perform the work specified, unwillingness to complete the work in a timely fashion, cancellation of liability insurance or worker's compensation, failure to pay suppliers or workers, unsafe working conditions caused by the contractor, failure to comply with Davis-Bacon wage laws (where applicable), failure to keep accurate and timely records of the job, or failure to make those records available to the CITY (on request) or any other documented matter which could cause a hardship for the CITY if a claim should arise or the work not be completed on schedule at the specified cost.
2. All contracts will contain a termination for convenience provision, which allows the CITY to cancel the contract without fault on the part of the contractor. In the event of a termination for convenience, the contractor will receive reimbursement and/or pro-rate payment for costs and work done until the point of termination but not anticipated profits on the work that was cancelled. The termination provision will specify the procedures for the contractor to submit a claim for termination costs.
3. Except as otherwise provided under 41 C.F.R, Part 60, all contracts that meet the definition of "Federally assisted construction contract" in 41 C.F.R. 604.3 must contain the applicable contract clauses described in Appendix II to the Uniform Rules (Contract Provisions for non-Federal Entity Contracts Under Federal Awards), which are set forth in 2 C.F.R. 200.326. These provisions will be provided to all bidders.

LOCALLY OWNED, MINORITY-OWNED, FEMALE-OWNED AND SMALL BUSINESSES - 2 C.F.R. 200.321

All necessary affirmative steps will be taken and documented to solicit participation of small and minority businesses, women's business enterprises, and labor surplus area firms. Where possible and feasible, delivery schedules will be established, and work will be subdivided to maximize participation by small businesses or minority or women-owned businesses. Subdivided components will be bid on as a separate contract. A list of locally owned, minority-owned, female-owned, and small businesses and also minority businesses located within the trade region shall be used when issuing IFBs, RFPs and RFQs. This list shall also be consulted when making small purchases. The CITY will use the services and assistance of the Small Business Administration and the Minority Business Development Agency of the Department of Commerce when appropriate. The successful bidder will be required to use these same criteria in the selection of suppliers and subcontractors whenever possible.

Domestic Preferences for Procurement - 2 C.F.R. 200.322

As appropriate and to the extent consistent with law, the CITY will, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron,

aluminum, steel, cement, and other manufactured products). This requirement will be included in all subawards including all contracts and purchase orders for work or products under this award.

Procurement of Recovered Materials – 2 C.F.R. 200.323

The CITY will comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, when required, as identified in the list of items designated in the guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. part 247.

Contract Cost and Price - 2 C.F.R. 200.324

The CITY will perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications. The method and degree of analysis is dependent on facts surrounding the particular procurement situation, but as a starting point, the CITY will establish independent estimates before receiving bids or proposals.

The CITY will negotiate profit as a separate element of the price for each contract in which there is no price competition and, in all cases, where cost analysis is performed.

Costs or prices based on estimated costs for contracts under the Federal award are allowable only to the extent that costs incurred or cost estimates included in negotiated prices would be allowable for the CITY under 2 C.F.R. Part 200, Subpart E, Cost Principles. The CITY may reference its own cost principles that comply with the Federal cost principles. However, the cost plus a percentage of cost and percentage of construction cost methods of contracting must not be used.

Federal Awarding Agency or Pass-Through Agency Review – 2 C.F.R. 200.325

The CITY will make available, upon request of the Federal awarding agency or pass-through entity, technical specifications on proposed procurements where the Federal awarding agency or passthrough entity believes such review is needed to ensure that the item or service specified is the one being proposed for acquisition. The CITY will also make available upon request, for the Federal awarding agency or passthrough entity pre-procurement review, procurement documents, such as requests for proposals or invitations for bids, or independent cost estimates.

BONDING REQUIREMENTS – 2 C.F.R. 200.326

The CITY will ensure that all federally funded construction and facility improvements contracts include the following:

1. A bid guarantee from each bidder that is equivalent to five percent of the bid price. The “bid guarantee” must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified.

2. A performance bond on the part of the contractor for 100 percent of the contract price. A “performance bond” is one executed in connection with a contract to secure fulfillment of all the contractor's requirements under such contract.
3. A payment bond on the part of the contractor for 100 percent of the contract price. A “payment bond” is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

ADDITIONAL CONTRACT PROVISIONS – 2 C.F.R. 200.327

CITY federally funded contracts are subject to a variety of required statutes, regulations, and contract clauses. While it is the responsibility of bidders and offerors to be aware of and comply with those requirements, CITY staff shall include applicable requirements in all CITY contracts to the maximum extent possible, either in full text, via addendum or attachment, or by reference. The list below is not exhaustive, and other provisions may apply based on the type of work being performed and the dollar amount of the contract. The provisions below are commonly covered contracts:

A. Labor and Employment Laws and Regulations

A variety of construction and non-construction labor and employment laws and regulations are required as a condition of the CITY's Federal funding. These are assembled at 2 C.F.R. 200.326 and 2 C.F.R. Part 200, Appendix II, and include provisions related to Equal Employment Opportunity, Prevailing Wages, Antikickback provisions, Overtime and Work Safety requirements, and a variety of whistleblower protections. In dealing with all potential bidders and offerors, CITY Staff should ensure that the applicable requirements are included in all solicitations and contracts. To the extent possible, CITY Staff should highlight these requirements to bidders and offerors unfamiliar with or inexperienced in Federally funded projects.

C. Rights to Inventions Made Under a Grant or Contract

If a contract awarded by the CITY results in the creation of protectable intellectual property, including a patentable invention, copyrighted material, trade secret or technical data, or any other invention or discovery, the requirements of 37 C.F.R. 401 may apply.

D. Environmental Regulations

Contracts with the CITY over \$150,000 require the contractor to comply with the Clean Air Act and Federal Water Pollution Control Act. Specific provisions and requirements are set forth in 2 C.F.R. Part 200, Appendix II.

E. Contracting with Suspended or Debarred Persons or Entities

The CITY shall not enter into any agreement with any person or entity subject to Federal Debarment suspension, nor consent to a subcontract with any such person or entity. A list of all such persons or entities can be found at www.SAM.gov. The CITY should obtain written certification from all contractors they are not suspended or debarred from Federal procurements.

F. Byrd Anti-Lobbying Amendment

The following provision will be included in each contract over \$100,000 (Federal Byrd threshold):

"Contractors who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. 5 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient."

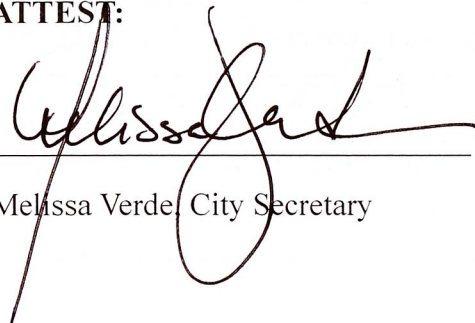
Adopted by the City of Leonard, Texas on this 19th day of August, 2025.

APPROVED:



Michael Pye, Mayor

ATTEST:


Melissa Verde, City Secretary