

**SUBRECIPIENT AGREEMENT BETWEEN THE COUNTY OF ORANGE
AND THE CITY OF HUNTINGTON BEACH FOR CORONAVIRUS RELIEF
FUNDS TO ESTABLISH TEMPORARY ALTERNATIVE SHELTER SITES
TO CONTROL SPREAD OF COVID-19 AND PRESERVE PUBLIC HEALTH**

This Subrecipient Agreement (the “**Agreement**”) is made and entered into as of _____, 2020 (“**Effective Date**”) by and between the COUNTY OF ORANGE, a political subdivision of the State of California (hereinafter referred to as “**County**”), and the CITY OF HUNTINGTON BEACH, a California Charter Law city (hereafter referred to as “**Subrecipient**”) with the County and Subrecipient referred to individually as a “**Party**,” or collectively as the “**Parties**.”

RECITALS

WHEREAS, on February 26, 2020, the County Health Officer declared a local health emergency based on an imminent and proximate threat to public health from the introduction of a novel coronavirus (named “**COVID-19**”) in Orange County (the “**COVID-19 Emergency**”); and

WHEREAS, on March 2, 2020, the Board of Supervisors adopted Resolution No. 2020-11 ratifying the local health emergency declared by the County’s Health Officer; and

WHEREAS, on March 4, 2020, the Governor of the State of California declared a State of Emergency to exist in California as a result of the threat of COVID-19; and

WHEREAS, on March 13, 2020, the President of the United States issued a Proclamation on Declaring a National Emergency Concerning the Coronavirus Disease 2019 (“**COVID-19**”) Outbreak; and

WHEREAS, the Coronavirus Aid, Relief, and Economic Security (“**CARES**”) Act was passed by Congress and signed into law by the President of the United States on March 27th, 2020; and

WHEREAS, the CARES Act established the Coronavirus Relief Fund and the County received an allocation of funds from the Coronavirus Relief Fund under section 601(a) of the Social Security Act, as added by section 5001 of the CARES Act; and

WHEREAS, Section 601(a) of the Social Security Act, as added by section 5001 of the CARES Act, which is to be used to make payments for specified uses to States and certain local governments that: (1) are necessary expenditures incurred due to the public health emergency with respect to COVID - 19; (2) were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and (3) were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020; and

WHEREAS, the Department of Treasury has issued guidance that the County may transfer funds to a unit of government within its borders provided that the transfer qualifies as a necessary expenditure incurred due to the public health emergency and meets the other criteria of section 601(d) of the Social Security Act; and

WHEREAS, the Department of Treasury's guidance provides that Coronavirus Relief Funds may be spent on expenses to facilitate compliance with COVID-19-related public health measures, such as the expenses for care for homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions; and

WHEREAS, County purchased SPRUNG shelter facilities and other equipment as set forth in **Exhibit C ("Equipment")** in conformity with the CARES Act to be used for COVID-19 public health services and housing purposes to serve the homeless population of Orange County; and

WHEREAS, the Equipment defined in this Agreement shall be used for the establishment, construction, and creation of a temporary alternative shelter site ("**TASS**") needed by the Subrecipient to prevent and control the COVID-19 emergency and pandemic and to protect and preserve the public health by providing shelter and care for homeless populations in an effort to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions; and

WHEREAS, Subrecipient is in need of certain facilities to support its efforts to respond to the COVID-19 pandemic and the requisite social distancing requirements in a manner consistent with the above declarations and authorities, and any continuing executive orders and declarations as part of the on-going emergencies; and

WHEREAS, all provisions of this Agreement shall be read and construed in a manner that is consistent with the stated purpose herein; and

WHEREAS, in order to achieve the establishment, construction, creation, and operation of a TASS, the Parties have agreed that the County shall transfer the Equipment and the Grant Amount described herein to Subrecipient to be used to facilitate compliance with COVID-19-related public health measures, including care for homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

1. **TERM OF AGREEMENT.** The term of this Agreement begins on the date when fully executed by the Parties, and terminates on June 30, 2021, or when all of the Parties' obligations under this Agreement are fully satisfied, whichever occurs earlier. Upon execution of this Agreement, the Emergency Facility Use Agreement dated April 20, 2020 between the Parties shall be terminated in its entirety.

2. **PURPOSE OF AGREEMENT AND USE OF GRANT AMOUNT.** The purpose of this Agreement shall be for the County to provide the Equipment and Grant Amount, as defined below, to the Subrecipient to allow the Subrecipient to cause the establishment, construction, creation, and operation of a TASS on two adjacent parcels located at 17631 Cameron Lane, Huntington Beach, CA 92647, and 17642 Beach Boulevard, Huntington Beach, CA, 92647 to prevent and control the COVID-19 emergency and pandemic and to protect and preserve the public health by providing shelter and care for homeless populations in an effort to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions. "**Construction**" as used in this Agreement shall include, but not be limited to, all aspects related to the construction, design, planning, paving, installation, grading, trenching, assembly, demolition, erection, alteration, or providing support structures or buildings of any kind that are necessary for the TASS (or any appurtenant improvements) and its preparation for use as described herein. The Recitals, which provide further explanation of the purpose of this Agreement, are hereby incorporated by reference.

a. Subrecipient shall use the Equipment and the Grant Amount, as defined below, provided under this Agreement to pay for Eligible Expenses that: (1) are necessary expenditures incurred due to the public health emergency with respect to COVID-19; (2) were not accounted for in the budget most recently approved by Subrecipient as of March 27, 2020; and (3)

were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.

b. The term “**Eligible Expenses**,” as used in this Agreement, shall mean expenses incurred and paid for by Subrecipient to perform the Scope of Work developed pursuant to Paragraph 3, subparagraph d, and the services provided pursuant to Paragraph 3, subparagraph g, for the purpose of facilitating compliance with COVID-19-related public health measures, including expenses for care for homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions.

c. The following is a nonexclusive list of expenditures that shall not constitute Eligible Expenses payable from the Grant Amount, as defined:

(1) Payroll expenses for Subrecipient’s public health or health care employees, including any employee authorized to act as a local health officer pursuant to Sections 101040, 101085, 101460, 101470 or 120175 of the California Health and Safety Code.

(2) Damages covered by insurance.

(3) Payroll or benefits expenses for employees whose work duties are not substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

(4) Expenses that have been or will be reimbursed under any federal program, such as the reimbursement by the federal government pursuant to the CARES Act of contributions by States to State unemployment funds.

(5) Reimbursement to donors for donated items or services.

(6) Workforce bonuses other than hazard pay or overtime.

(7) Severance pay.

(8) Legal settlements.

d. Subrecipient must utilize the Grant Amount, as defined below, in accordance with all Federal and State laws, including but not limited to 42 U.S.C. § 801, subsection (d), and all applicable regulations and guidelines,

including guidance issued by the Department of Treasury regarding costs that are payable from Coronavirus Relief Funds, which includes but is not limited to Guidance for State, Territorial, Local, and Tribal Governments dated September 2, 2020 (**Exhibit A**) and Coronavirus Relief Fund Frequently Asked Questions Updated as of September 2, 2020 (**Exhibit B**).

3. PAYMENT OF GRANT AMOUNT AND EQUIPMENT DELIVERY

a. The County shall pay Subrecipient a grant amount of \$3,000,000 (“**Grant Amount**”) within 10 business days of the full execution of this Agreement. All of Subrecipient’s expenditures of the grant amount must be for Eligible Expenses as described in Paragraph 2 of this Agreement.

b. It is understood that the County makes no commitment to fund this Agreement beyond the terms set forth herein.

c. The County shall make available for pick up at a mutually agreeable time and location, and Subrecipient shall accept and assume ownership, responsibility, and liability for the Equipment set forth in Exhibit C. The County will assist the Subrecipient with coordinating efforts between the Subrecipient and the manufacturer (or its representatives) for the erection and installation of the SPRUNG shelter.

d. Notwithstanding Paragraphs 6 through 8 herein, or anything else to the contrary within this Agreement, the Subrecipient shall prepare a Scope of Work (and award the work, if necessary under applicable law) related to the installation, construction, operation, or erection of the Equipment and any site preparation work in which Subrecipient intends to fund with the Grant Amount and shall provide a copy of any such Scope of Work to the County for written approval prior to the Scope’s commencement, which approval shall not be unreasonably withheld, conditioned or delayed.

e. If Subrecipient has not spent any portion of the Grant Amount it has received under this Agreement to cover Eligible Expenses by December 30, 2020, Subrecipient shall return to the County by February 1, 2021 the amount remaining unspent as of December 30, 2020. Further, any Equipment provided by County to Subrecipient not installed, fully operational, or utilized for the purposes consistent with this Agreement and the CARES Act by December 30, 2020 shall be returned by City to County at City’s expense.

f. City agrees that it is familiar with the requirements and restrictions of the CARES Act and agrees that it will develop the Scope of Work and utilize the TASS and related assets consistent with these requirements.

g. Once construction is completed, the Subrecipient shall select its own service provider to operate the TASS.

i. The services shall initially be part of the County's COVID-19 homeless response and work in coordination with the County's Health Care Agency.

ii. Shelter beds will be made available through referral to the Subrecipient's shelter operator by County and community outreach staff for individuals experiencing homelessness in the Central Service Planning Area ("SPA") for a period of no less than six months from the execution of this Agreement as part of the County's COVID-19 homeless response. In addition, a minimum of thirty (30) shelter beds will be made available to County as part of the Project Roomkey motel site referral process if the TASS is operational at that time.

iii. Once the County's COVID-19 homeless response has reduced in scope, the TASS shelter site referral process can be reduced to focus solely on the Subrecipient's referrals.

4. **STATUTES AND REGULATIONS APPLICABLE TO GRANT.** Subrecipient must comply with all applicable requirements of State, Federal, and County of Orange laws, executive orders, regulations, program and administrative requirements, policies and any other requirements governing this Agreement. Subrecipient must comply with applicable State and Federal laws and regulations pertaining to labor, wages, hours, and other conditions of employment. Subrecipient must comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Agreement. These requirements include, but are not limited to:

a. Office of Management and Budget ("OMB") Circulars.

Subrecipient must comply with OMB Circulars, as applicable: OMB Circular A-21 (Cost Principles for Educational Institutions); OMB Circular A-87 (Cost Principles for State, Local, and Indian Tribal Governments); OMB Circular A-102 (Grants and Cooperative Agreements with State and Local Governments); Common Rule, Subpart C for public agencies or OMB Circular

A-110 (Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations); OMB Circular A-122 (Cost Principles for Non-Profit Organizations); OMB Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations).

b. Single Audit Act. Since Federal funds are used in the performance of this Agreement, Subrecipient must, as applicable, adhere to the rules and regulations of the Single Audit Act (31 USC Sec. 7501 et seq.), OMB Circular A-133 and any administrative regulation or field memoranda implementing the Act.

c. Political Activity Prohibited. None of the funds, materials, property or services provided directly or indirectly under this Agreement may be used for any partisan political activity, or to further the election or defeat of any candidate for public office. Funds provided under this Agreement may not be used for any purpose designed to support or defeat any pending legislation or administrative regulation.

5. **COMPLIANCE WITH GRANT REQUIREMENTS**. To obtain the grant funds, the Department of the Treasury required an authorized representative of the County to agree to certain promises regarding the way the grant funds would be spent. This certification is attached hereto as **Exhibit D**. By signing this certification, the County made material representations to the Department of Treasury in order to receive payments from the Department of Treasury pursuant to section 601(b) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136, div. A, Title V (Mar. 27, 2020). In accordance with Paragraph 11, Subrecipient agrees to indemnify, defend, and hold harmless the County of Orange for any Equipment or sums the State or Federal government contends or determines Subrecipient used in violation of the certification. Subrecipient shall immediately return to the County any funds the County or any responsible State or Federal agency, including the Department of Treasury, determines the Subrecipient has used in a manner that is inconsistent with Paragraph 2 of this Agreement. The provisions of this paragraph shall survive termination of this Agreement.

6. REPORTS.

a. **Progress Reports**. On October 15, 2020, and monthly thereafter, Subrecipient shall provide a report to the County that shall: (1) identify the Eligible Expenses paid from the Grant Amount since the Effective Date; (2)

demonstrate how Subrecipient used the Grant Amount consistent with the use requirements of Paragraph 2; and (3) identify the balance of the Grant Amount that Subrecipient has not spent.

b. Final Report. Upon the earlier of Subrecipient's expenditure of the balance of the Grant Amount or January 15, 2021, Subrecipient shall provide a report to the County that shall: (1) identify the Eligible Expenses paid from the Grant Amount as of December 30, 2020; (2) demonstrate how Subrecipient used the Grant Amount consistent with the use requirements of Paragraph 2; and (3) identify the balance of the Grant Amount that Subrecipient has not spent, if any.

c. The Subrecipient shall provide a certification signed by its chief executive officer with each report required under this Paragraph 6 that the statements contained in the report are true and that the expenditures described in the report comply with the uses permitted under Paragraph 2.

d. Subrecipient shall maintain supporting documentation for the reports required by this Paragraph 6 consistent with the requirements of Paragraph 7.

e. Reports prepared pursuant to this Paragraph shall be submitted in substantially the same form as **Exhibit E**.

7. RECORDS MAINTENANCE. Records, in their original form, must be maintained in accordance with requirements prescribed by the County with respect to all matters specified in this Agreement. Original forms are to be maintained on file for all documents specified in this Agreement. Such records must be retained for a period four (4) years after termination of this Agreement and after final disposition of all pending matters. "**Pending matters**" include, but are not limited to, an audit, litigation or other actions involving records. Records, in their original form pertaining to matters covered by this Agreement, must at all times be retained within the County of Orange unless authorization to remove them is granted in writing by the County.

8. RECORDS INSPECTION. At any time during normal business hours and as often as either the County, Inspector General acting pursuant to the Inspector General Act of 1978, or the Auditor General of the State of California may deem necessary, Subrecipient must make available for examination all of its records with respect to all matters covered by this Agreement. The County, Inspector General, and the Auditor General of the State of California each have the authority to audit,

examine and make excerpts or transcripts from records, including all Subrecipient's invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Agreement. Subrecipient agrees to provide any reports requested by the County regarding performance of this Agreement. With respect to inspection of Subrecipient's records, the County may require that Subrecipient provide supporting documentation to substantiate Subrecipient's expenses with respect to the Subrecipient's use or expenditure of the Grant Amount.

9. **INDEPENDENT CONTRACTOR.** The Subrecipient shall be considered an independent contractor and neither the Subrecipient, its employees, nor anyone working under the Subrecipient shall be considered an agent or an employee of County. Neither the Subrecipient, its employees nor anyone working under the Subrecipient shall qualify for workers' compensation or other fringe benefits of any kind through County.

10. **PERMITS, LICENSES, APPROVALS, AND LEGAL OBLIGATIONS.** Subrecipient shall be responsible for obtaining any and all permits, licenses, and approvals required for performing any work under this Agreement. Subrecipient shall be responsible for observing and complying with any applicable Federal, State, or local laws, or rules or regulations affecting any such work. Subrecipient shall provide copies of permits and approvals to the County upon request.

11. **INDEMNITY.** The Subrecipient agrees to indemnify, defend with counsel approved in writing by County, and hold County, its elected and appointed officials, officers, employees and agents and those special districts and agencies which County's Board of Supervisors acts as the governing Board harmless from any claims, demands or liability of any kind or nature, including but not limited to personal injury or property damage, arising from or related to the Subrecipient's receipt of the Grant Amount and Equipment under this Agreement, including any claims that the Grant Amount paid by the County under this Agreement were not used consistent with the restrictions on the use of Coronavirus Relief Funds (42 U.S.C. § 801) and the regulations and guidance issued by the Department of Treasury regarding the use of such funds. The provisions of this paragraph shall survive the termination of this Agreement.

12. **NOTICES.** Any and all notices, requests demands and other communications contemplated, called for, permitted, or required to be given hereunder shall be in writing. Any written communications shall be deemed to have been duly given upon actual in-person delivery, if delivery is by direct hand, or upon delivery on the actual day of receipt or no greater than four (4) calendar days after

being mailed by US certified or registered mail, return receipt requested, postage prepaid, whichever occurs first. The date of mailing shall count as the first day. All communications shall be addressed to the appropriate party at the address stated herein or such other address as the parties hereto may designate by written notice from time to time in the manner aforesaid.

Subrecipient:

City of Huntington Beach
 ATTN: Oliver Chi, City Manager
 City Manager's Office
 2000 Main St.
 Huntington Beach, CA 92648

County:

County of Orange
 ATTN: Frank Kim, County Executive Officer
 Hall of Administration
 333 W. Santa Ana Blvd., Third Floor
 Santa Ana, CA 92701

13. **DEFAULTS.** Should either Party fail for any reason to comply with the contractual obligations of this Agreement within the time specified by this Agreement, the non-breaching Party reserves the right to terminate the Agreement, reserving all rights under State and Federal law.

14. **ATTORNEY FEES.** In any action or proceeding to enforce or interpret any provision of this Agreement, each Party shall bear its own attorney's fees, costs, and expenses.

15. **ENTIRE CONTRACT:** This Agreement contains the entire contract between the Parties with respect to the matters herein, and there are no restrictions, promises, warranties or undertakings other than those set forth herein or referred to herein. No exceptions, alternatives, substitutes or revisions are valid or binding on the parties unless authorized by the Parties in writing.

16. **AMENDMENTS.** No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties; no oral understanding or agreement not incorporated herein shall be binding on either of the

Parties; and no exceptions, alternatives, substitutes or revisions are valid or binding on County unless authorized by County in writing.

17. COUNTERPARTS. This Agreement may be executed in counterpart originals, each of which shall be deemed to constitute an original agreement, and all of which shall constitute one agreement. The execution of one counterpart by any Party shall have the same force and effect as if that Party had signed all other counterparts.

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IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date.

CITY OF HUNTINGTON BEACH,
A Charter Law City

COUNTY OF ORANGE,
A political subdivision of the State of California

By: 
Oliver Chi,
City Manager

By: _____
Michelle Steel, Chairwoman
Board of Supervisors

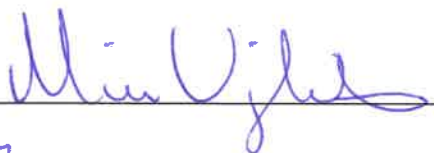
Date: 9/22/20


Date: _____

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIR OF THE BOARD OF SUPERVISORS PER GC § 25103, RESO. 79-1535

By: _____
Robin Stieler
Clerk of the Board of Supervisors
County of Orange, California

APPROVED AS TO FORM:

By: 
City Attorney

By: 
Mark Servino
Deputy County Counsel

Date: 9/22/20

Date: 9/23/20

Exhibit A

Coronavirus Relief Fund
Guidance for State, Territorial, Local, and Tribal Governments
Updated September 2, 2020¹

The purpose of this document is to provide guidance to recipients of the funding available under section 601(a) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”). The CARES Act established the Coronavirus Relief Fund (the “Fund”) and appropriated \$150 billion to the Fund. Under the CARES Act, the Fund is to be used to make payments for specified uses to States and certain local governments; the District of Columbia and U.S. Territories (consisting of the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands); and Tribal governments.

The CARES Act provides that payments from the Fund may only be used to cover costs that—

1. are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19);
2. were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and
3. were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.²

The guidance that follows sets forth the Department of the Treasury’s interpretation of these limitations on the permissible use of Fund payments.

Necessary expenditures incurred due to the public health emergency

The requirement that expenditures be incurred “due to” the public health emergency means that expenditures must be used for actions taken to respond to the public health emergency. These may include expenditures incurred to allow the State, territorial, local, or Tribal government to respond directly to the emergency, such as by addressing medical or public health needs, as well as expenditures incurred to respond to second-order effects of the emergency, such as by providing economic support to those suffering from employment or business interruptions due to COVID-19-related business closures.

Funds may not be used to fill shortfalls in government revenue to cover expenditures that would not otherwise qualify under the statute. Although a broad range of uses is allowed, revenue replacement is not a permissible use of Fund payments.

The statute also specifies that expenditures using Fund payments must be “necessary.” The Department of the Treasury understands this term broadly to mean that the expenditure is reasonably necessary for its intended use in the reasonable judgment of the government officials responsible for spending Fund payments.

¹ On June 30, 2020, the guidance provided under “Costs incurred during the period that begins on March 1, 2020, and ends on December 30, 2020” was updated. On September 2, 2020, the “Supplemental Guidance on Use of Funds to Cover Payroll and Benefits of Public Employees” and “Supplemental Guidance on Use of Funds to Cover Administrative Costs” sections were added.

² See Section 601(d) of the Social Security Act, as added by section 5001 of the CARES Act.

Costs not accounted for in the budget most recently approved as of March 27, 2020

The CARES Act also requires that payments be used only to cover costs that were not accounted for in the budget most recently approved as of March 27, 2020. A cost meets this requirement if either (a) the cost cannot lawfully be funded using a line item, allotment, or allocation within that budget *or* (b) the cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation.

The “most recently approved” budget refers to the enacted budget for the relevant fiscal period for the particular government, without taking into account subsequent supplemental appropriations enacted or other budgetary adjustments made by that government in response to the COVID-19 public health emergency. A cost is not considered to have been accounted for in a budget merely because it could be met using a budgetary stabilization fund, rainy day fund, or similar reserve account.

Costs incurred during the period that begins on March 1, 2020, and ends on December 30, 2020

Finally, the CARES Act provides that payments from the Fund may only be used to cover costs that were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020 (the “covered period”). Putting this requirement together with the other provisions discussed above, section 601(d) may be summarized as providing that a State, local, or tribal government may use payments from the Fund only to cover previously unbudgeted costs of necessary expenditures incurred due to the COVID-19 public health emergency during the covered period.

Initial guidance released on April 22, 2020, provided that the cost of an expenditure is incurred when the recipient has expended funds to cover the cost. Upon further consideration and informed by an understanding of State, local, and tribal government practices, Treasury is clarifying that for a cost to be considered to have been incurred, performance or delivery must occur during the covered period but payment of funds need not be made during that time (though it is generally expected that this will take place within 90 days of a cost being incurred). For instance, in the case of a lease of equipment or other property, irrespective of when payment occurs, the cost of a lease payment shall be considered to have been incurred for the period of the lease that is within the covered period but not otherwise. Furthermore, in all cases it must be necessary that performance or delivery take place during the covered period. Thus the cost of a good or service received during the covered period will not be considered eligible under section 601(d) if there is no need for receipt until after the covered period has expired.

Goods delivered in the covered period need not be used during the covered period in all cases. For example, the cost of a good that must be delivered in December in order to be available for use in January could be covered using payments from the Fund. Additionally, the cost of goods purchased in bulk and delivered during the covered period may be covered using payments from the Fund if a portion of the goods is ordered for use in the covered period, the bulk purchase is consistent with the recipient’s usual procurement policies and practices, and it is impractical to track and record when the items were used. A recipient may use payments from the Fund to purchase a durable good that is to be used during the current period and in subsequent periods if the acquisition in the covered period was necessary due to the public health emergency.

Given that it is not always possible to estimate with precision when a good or service will be needed, the touchstone in assessing the determination of need for a good or service during the covered period will be reasonableness at the time delivery or performance was sought, *e.g.*, the time of entry into a procurement contract specifying a time for delivery. Similarly, in recognition of the likelihood of supply chain disruptions and increased demand for certain goods and services during the COVID-19 public health emergency, if a recipient enters into a contract requiring the delivery of goods or performance of services by December 30, 2020, the failure of a vendor to complete delivery or services by December 30, 2020,

will not affect the ability of the recipient to use payments from the Fund to cover the cost of such goods or services if the delay is due to circumstances beyond the recipient's control.

This guidance applies in a like manner to costs of subrecipients. Thus, a grant or loan, for example, provided by a recipient using payments from the Fund must be used by the subrecipient only to purchase (or reimburse a purchase of) goods or services for which receipt both is needed within the covered period and occurs within the covered period. The direct recipient of payments from the Fund is ultimately responsible for compliance with this limitation on use of payments from the Fund.

Nonexclusive examples of eligible expenditures

Eligible expenditures include, but are not limited to, payment for:

1. Medical expenses such as:
 - COVID-19-related expenses of public hospitals, clinics, and similar facilities.
 - Expenses of establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity, including related construction costs.
 - Costs of providing COVID-19 testing, including serological testing.
 - Emergency medical response expenses, including emergency medical transportation, related to COVID-19.
 - Expenses for establishing and operating public telemedicine capabilities for COVID-19-related treatment.
2. Public health expenses such as:
 - Expenses for communication and enforcement by State, territorial, local, and Tribal governments of public health orders related to COVID-19.
 - Expenses for acquisition and distribution of medical and protective supplies, including sanitizing products and personal protective equipment, for medical personnel, police officers, social workers, child protection services, and child welfare officers, direct service providers for older adults and individuals with disabilities in community settings, and other public health or safety workers in connection with the COVID-19 public health emergency.
 - Expenses for disinfection of public areas and other facilities, *e.g.*, nursing homes, in response to the COVID-19 public health emergency.
 - Expenses for technical assistance to local authorities or other entities on mitigation of COVID-19-related threats to public health and safety.
 - Expenses for public safety measures undertaken in response to COVID-19.
 - Expenses for quarantining individuals.
3. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

4. Expenses of actions to facilitate compliance with COVID-19-related public health measures, such as:
 - Expenses for food delivery to residents, including, for example, senior citizens and other vulnerable populations, to enable compliance with COVID-19 public health precautions.
 - Expenses to facilitate distance learning, including technological improvements, in connection with school closings to enable compliance with COVID-19 precautions.
 - Expenses to improve telework capabilities for public employees to enable compliance with COVID-19 public health precautions.
 - Expenses of providing paid sick and paid family and medical leave to public employees to enable compliance with COVID-19 public health precautions.
 - COVID-19-related expenses of maintaining state prisons and county jails, including as relates to sanitation and improvement of social distancing measures, to enable compliance with COVID-19 public health precautions.
 - Expenses for care for homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions.
5. Expenses associated with the provision of economic support in connection with the COVID-19 public health emergency, such as:
 - Expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures.
 - Expenditures related to a State, territorial, local, or Tribal government payroll support program.
 - Unemployment insurance costs related to the COVID-19 public health emergency if such costs will not be reimbursed by the federal government pursuant to the CARES Act or otherwise.
6. Any other COVID-19-related expenses reasonably necessary to the function of government that satisfy the Fund's eligibility criteria.

Nonexclusive examples of ineligible expenditures³

The following is a list of examples of costs that would not be eligible expenditures of payments from the Fund.

1. Expenses for the State share of Medicaid.⁴
2. Damages covered by insurance.
3. Payroll or benefits expenses for employees whose work duties are not substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

³ In addition, pursuant to section 5001(b) of the CARES Act, payments from the Fund may not be expended for an elective abortion or on research in which a human embryo is destroyed, discarded, or knowingly subjected to risk of injury or death. The prohibition on payment for abortions does not apply to an abortion if the pregnancy is the result of an act of rape or incest; or in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed. Furthermore, no government which receives payments from the Fund may discriminate against a health care entity on the basis that the entity does not provide, pay for, provide coverage of, or refer for abortions.

⁴ See 42 C.F.R. § 433.51 and 45 C.F.R. § 75.306.

4. Expenses that have been or will be reimbursed under any federal program, such as the reimbursement by the federal government pursuant to the CARES Act of contributions by States to State unemployment funds.
5. Reimbursement to donors for donated items or services.
6. Workforce bonuses other than hazard pay or overtime.
7. Severance pay.
8. Legal settlements.

Supplemental Guidance on Use of Funds to Cover Payroll and Benefits of Public Employees

As discussed in the Guidance above, the CARES Act provides that payments from the Fund must be used only to cover costs that were not accounted for in the budget most recently approved as of March 27, 2020. As reflected in the Guidance and FAQs, Treasury has not interpreted this provision to limit eligible costs to those that are incremental increases above amounts previously budgeted. Rather, Treasury has interpreted this provision to exclude items that were already covered for their original use (or a substantially similar use). This guidance reflects the intent behind the Fund, which was not to provide general fiscal assistance to state governments but rather to assist them with COVID-19-related necessary expenditures. With respect to personnel expenses, though the Fund was not intended to be used to cover government payroll expenses generally, the Fund was intended to provide assistance to address increased expenses, such as the expense of hiring new personnel as needed to assist with the government's response to the public health emergency and to allow recipients facing budget pressures not to have to lay off or furlough employees who would be needed to assist with that purpose.

Substantially different use

As stated in the Guidance above, Treasury considers the requirement that payments from the Fund be used only to cover costs that were not accounted for in the budget most recently approved as of March 27, 2020, to be met if either (a) the cost cannot lawfully be funded using a line item, allotment, or allocation within that budget *or* (b) the cost is for a *substantially different use* from any expected use of funds in such a line item, allotment, or allocation.

Treasury has provided examples as to what would constitute a substantially different use. Treasury provided (in FAQ A.3) that costs incurred for a substantially different use would include, for example, the costs of redeploying educational support staff or faculty to develop online learning capabilities, such as through providing information technology support that is not part of the staff or faculty's ordinary responsibilities.

Substantially dedicated

Within this category of substantially different uses, as stated in the Guidance above, Treasury has included payroll and benefits expenses for public safety, public health, health care, human services, and similar employees whose services are *substantially dedicated* to mitigating or responding to the COVID-19 public health emergency. The *full amount* of payroll and benefits expenses of substantially dedicated employees may be covered using payments from the Fund. Treasury has not developed a precise definition of what "substantially dedicated" means given that there is not a precise way to define this term

across different employment types. The relevant unit of government should maintain documentation of the “substantially dedicated” conclusion with respect to its employees.

If an employee is not substantially dedicated to mitigating or responding to the COVID-19 public health emergency, his or her payroll and benefits expenses may not be covered *in full* with payments from the Fund. A *portion* of such expenses may be able to be covered, however, as discussed below.

Public health and public safety

In recognition of the particular importance of public health and public safety workers to State, local, and tribal government responses to the public health emergency, Treasury has provided, as an administrative accommodation, that a State, local, or tribal government may presume that public health and public safety employees meet the substantially dedicated test, unless the chief executive (or equivalent) of the relevant government determines that specific circumstances indicate otherwise. This means that, if this presumption applies, work performed by such employees is considered to be a substantially different use than accounted for in the most recently approved budget as of March 27, 2020. All costs of such employees may be covered using payments from the Fund for services provided during the period that begins on March 1, 2020, and ends on December 30, 2020.

In response to questions regarding which employees are within the scope of this accommodation, Treasury is supplementing this guidance to clarify that public safety employees would include police officers (including state police officers), sheriffs and deputy sheriffs, firefighters, emergency medical responders, correctional and detention officers, and those who directly support such employees such as dispatchers and supervisory personnel. Public health employees would include employees involved in providing medical and other health services to patients and supervisory personnel, including medical staff assigned to schools, prisons, and other such institutions, and other support services essential for patient care (*e.g.*, laboratory technicians) as well as employees of public health departments directly engaged in matters related to public health and related supervisory personnel.

Not substantially dedicated

As provided in FAQ A.47, a State, local, or tribal government may also track time spent by employees related to COVID-19 and apply Fund payments on that basis but would need to do so consistently within the relevant agency or department. This means, for example, that a government could cover payroll expenses allocated on an hourly basis to employees’ time dedicated to mitigating or responding to the COVID-19 public health emergency. This result provides equitable treatment to governments that, for example, instead of having a few employees who are substantially dedicated to the public health emergency, have many employees who have a minority of their time dedicated to the public health emergency.

Covered benefits

Payroll and benefits of a substantially dedicated employee may be covered using payments from the Fund to the extent incurred between March 1 and December 30, 2020.

Payroll includes certain hazard pay and overtime, but not workforce bonuses. As discussed in FAQ A.29, hazard pay may be covered using payments from the Fund if it is provided for performing hazardous duty or work involving physical hardship that in each case is related to COVID-19. This means that, whereas payroll and benefits of an employee who is substantially dedicated to mitigating or responding to the COVID-19 public health emergency may generally be covered in full using payments from the Fund, hazard pay specifically may only be covered to the extent it is related to COVID-19. For example, a recipient may use payments from the Fund to cover hazard pay for a police officer coming in close

contact with members of the public to enforce public health or public safety orders, but across-the-board hazard pay for all members of a police department regardless of their duties would not be able to be covered with payments from the Fund. This position reflects the statutory intent discussed above: the Fund was intended to be used to help governments address the public health emergency both by providing funds for incremental expenses (such as hazard pay related to COVID-19) and to allow governments not to have to furlough or lay off employees needed to address the public health emergency but was not intended to provide across-the-board budget support (as would be the case if hazard pay regardless of its relation to COVID-19 or workforce bonuses were permitted to be covered using payments from the Fund).

Relatedly, both hazard pay and overtime pay for employees that are not substantially dedicated may only be covered using the Fund if the hazard pay and overtime pay is for COVID-19-related duties. As discussed above, governments may allocate payroll and benefits of such employees with respect to time worked on COVID-19-related matters.

Covered benefits include, but are not limited to, the costs of all types of leave (vacation, family-related, sick, military, bereavement, sabbatical, jury duty), employee insurance (health, life, dental, vision), retirement (pensions, 401(k)), unemployment benefit plans (federal and state), workers compensation insurance, and Federal Insurance Contributions Act (FICA) taxes (which includes Social Security and Medicare taxes).

Supplemental Guidance on Use of Funds to Cover Administrative Costs

General

Payments from the Fund are not administered as part of a traditional grant program and the provisions of the Uniform Guidance, 2 C.F.R. Part 200, that are applicable to indirect costs do not apply. Recipients may not apply their indirect costs rates to payments received from the Fund.

Recipients may, if they meet the conditions specified in the guidance for tracking time consistently across a department, use payments from the Fund to cover the portion of payroll and benefits of employees corresponding to time spent on administrative work necessary due to the COVID-19 public health emergency. (In other words, such costs would be eligible direct costs of the recipient). This includes, but is not limited to, costs related to disbursing payments from the Fund and managing new grant programs established using payments from the Fund.

As with any other costs to be covered using payments from the Fund, any such administrative costs must be incurred by December 30, 2020, with an exception for certain compliance costs as discussed below. Furthermore, as discussed in the Guidance above, as with any other cost, an administrative cost that has been or will be reimbursed under any federal program may not be covered with the Fund. For example, if an administrative cost is already being covered as a direct or indirect cost pursuant to another federal grant, the Fund may not be used to cover that cost.

Compliance costs related to the Fund

As previously stated in FAQ B.11, recipients are permitted to use payments from the Fund to cover the expenses of an audit conducted under the Single Audit Act, subject to the limitations set forth in 2 C.F.R. § 200.425. Pursuant to that provision of the Uniform Guidance, recipients and subrecipients subject to the Single Audit Act may use payments from the Fund to cover a reasonably proportionate share of the costs of audits attributable to the Fund.

To the extent a cost is incurred by December 30, 2020, for an eligible use consistent with section 601 of the Social Security Act and Treasury's guidance, a necessary administrative compliance expense that relates to such underlying cost may be incurred after December 30, 2020. Such an expense would include, for example, expenses incurred to comply with the Single Audit Act and reporting and recordkeeping requirements imposed by the Office of Inspector General. A recipient with such necessary administrative expenses, such as an ongoing audit continuing past December 30, 2020, that relates to Fund expenditures incurred during the covered period, must report to the Treasury Office of Inspector General by the quarter ending September 2021 an estimate of the amount of such necessary administrative expenses.

Exhibit B

**Coronavirus Relief Fund
Frequently Asked Questions
Updated as of September 2, 2020¹**

The following answers to frequently asked questions supplement Treasury’s Coronavirus Relief Fund (“Fund”) Guidance for State, Territorial, Local, and Tribal Governments, dated April 22, 2020, (“Guidance”).² Amounts paid from the Fund are subject to the restrictions outlined in the Guidance and set forth in section 601(d) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”).

A. Eligible Expenditures

1. *Are governments required to submit proposed expenditures to Treasury for approval?*

No. Governments are responsible for making determinations as to what expenditures are necessary due to the public health emergency with respect to COVID-19 and do not need to submit any proposed expenditures to Treasury.

2. *The Guidance says that funding can be used to meet payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency. How does a government determine whether payroll expenses for a given employee satisfy the “substantially dedicated” condition?*

The Fund is designed to provide ready funding to address unforeseen financial needs and risks created by the COVID-19 public health emergency. For this reason, and as a matter of administrative convenience in light of the emergency nature of this program, a State, territorial, local, or Tribal government may presume that payroll costs for public health and public safety employees are payments for services substantially dedicated to mitigating or responding to the COVID-19 public health emergency, unless the chief executive (or equivalent) of the relevant government determines that specific circumstances indicate otherwise.

3. *The Guidance says that a cost was not accounted for in the most recently approved budget if the cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation. What would qualify as a “substantially different use” for purposes of the Fund eligibility?*

Costs incurred for a “substantially different use” include, but are not necessarily limited to, costs of personnel and services that were budgeted for in the most recently approved budget but which, due entirely to the COVID-19 public health emergency, have been diverted to substantially different functions. This would include, for example, the costs of redeploying corrections facility staff to enable compliance with COVID-19 public health precautions through work such as enhanced sanitation or enforcing social distancing measures; the costs of redeploying police to support management and enforcement of stay-at-home orders; or the costs of diverting educational support staff or faculty to develop online learning capabilities, such as through providing information technology support that is not part of the staff or faculty’s ordinary responsibilities.

¹ On August 10, 2020, these Frequently Asked Questions were revised to add Questions A.49–52. On September 2, 2020, Questions A.53–56 were added, and Questions A.34 and A.38 were revised.

² The Guidance is available at <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf>.

Note that a public function does not become a “substantially different use” merely because it is provided from a different location or through a different manner. For example, although developing online instruction capabilities may be a substantially different use of funds, online instruction itself is not a substantially different use of public funds than classroom instruction.

4. *May a State receiving a payment transfer funds to a local government?*

Yes, provided that the transfer qualifies as a necessary expenditure incurred due to the public health emergency and meets the other criteria of section 601(d) of the Social Security Act. Such funds would be subject to recoupment by the Treasury Department if they have not been used in a manner consistent with section 601(d) of the Social Security Act.

5. *May a unit of local government receiving a Fund payment transfer funds to another unit of government?*

Yes. For example, a county may transfer funds to a city, town, or school district within the county and a county or city may transfer funds to its State, provided that the transfer qualifies as a necessary expenditure incurred due to the public health emergency and meets the other criteria of section 601(d) of the Social Security Act outlined in the Guidance. For example, a transfer from a county to a constituent city would not be permissible if the funds were intended to be used simply to fill shortfalls in government revenue to cover expenditures that would not otherwise qualify as an eligible expenditure.

6. *Is a Fund payment recipient required to transfer funds to a smaller, constituent unit of government within its borders?*

No. For example, a county recipient is not required to transfer funds to smaller cities within the county’s borders.

7. *Are recipients required to use other federal funds or seek reimbursement under other federal programs before using Fund payments to satisfy eligible expenses?*

No. Recipients may use Fund payments for any expenses eligible under section 601(d) of the Social Security Act outlined in the Guidance. Fund payments are not required to be used as the source of funding of last resort. However, as noted below, recipients may not use payments from the Fund to cover expenditures for which they will receive reimbursement.

8. *Are there prohibitions on combining a transaction supported with Fund payments with other CARES Act funding or COVID-19 relief Federal funding?*

Recipients will need to consider the applicable restrictions and limitations of such other sources of funding. In addition, expenses that have been or will be reimbursed under any federal program, such as the reimbursement by the federal government pursuant to the CARES Act of contributions by States to State unemployment funds, are not eligible uses of Fund payments.

9. *Are States permitted to use Fund payments to support state unemployment insurance funds generally?*

To the extent that the costs incurred by a state unemployment insurance fund are incurred due to the COVID-19 public health emergency, a State may use Fund payments to make payments to its respective state unemployment insurance fund, separate and apart from such State's obligation to the unemployment insurance fund as an employer. This will permit States to use Fund payments to prevent expenses related to the public health emergency from causing their state unemployment insurance funds to become insolvent.

10. *Are recipients permitted to use Fund payments to pay for unemployment insurance costs incurred by the recipient as an employer?*

Yes, Fund payments may be used for unemployment insurance costs incurred by the recipient as an employer (for example, as a reimbursing employer) related to the COVID-19 public health emergency if such costs will not be reimbursed by the federal government pursuant to the CARES Act or otherwise.

11. *The Guidance states that the Fund may support a "broad range of uses" including payroll expenses for several classes of employees whose services are "substantially dedicated to mitigating or responding to the COVID-19 public health emergency." What are some examples of types of covered employees?*

The Guidance provides examples of broad classes of employees whose payroll expenses would be eligible expenses under the Fund. These classes of employees include public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency. Payroll and benefit costs associated with public employees who could have been furloughed or otherwise laid off but who were instead repurposed to perform previously unbudgeted functions substantially dedicated to mitigating or responding to the COVID-19 public health emergency are also covered. Other eligible expenditures include payroll and benefit costs of educational support staff or faculty responsible for developing online learning capabilities necessary to continue educational instruction in response to COVID-19-related school closures. Please see the Guidance for a discussion of what is meant by an expense that was not accounted for in the budget most recently approved as of March 27, 2020.

12. *In some cases, first responders and critical health care workers that contract COVID-19 are eligible for workers' compensation coverage. Is the cost of this expanded workers compensation coverage eligible?*

Increased workers compensation cost to the government due to the COVID-19 public health emergency incurred during the period beginning March 1, 2020, and ending December 30, 2020, is an eligible expense.

13. *If a recipient would have decommissioned equipment or not renewed a lease on particular office space or equipment but decides to continue to use the equipment or to renew the lease in order to respond to the public health emergency, are the costs associated with continuing to operate the equipment or the ongoing lease payments eligible expenses?*

Yes. To the extent the expenses were previously unbudgeted and are otherwise consistent with section 601(d) of the Social Security Act outlined in the Guidance, such expenses would be eligible.

14. *May recipients provide stipends to employees for eligible expenses (for example, a stipend to employees to improve telework capabilities) rather than require employees to incur the eligible cost and submit for reimbursement?*

Expenditures paid for with payments from the Fund must be limited to those that are necessary due to the public health emergency. As such, unless the government were to determine that providing assistance in the form of a stipend is an administrative necessity, the government should provide such assistance on a reimbursement basis to ensure as much as possible that funds are used to cover only eligible expenses.

15. *May Fund payments be used for COVID-19 public health emergency recovery planning?*

Yes. Expenses associated with conducting a recovery planning project or operating a recovery coordination office would be eligible, if the expenses otherwise meet the criteria set forth in section 601(d) of the Social Security Act outlined in the Guidance.

16. *Are expenses associated with contact tracing eligible?*

Yes, expenses associated with contact tracing are eligible.

17. *To what extent may a government use Fund payments to support the operations of private hospitals?*

Governments may use Fund payments to support public or private hospitals to the extent that the costs are necessary expenditures incurred due to the COVID-19 public health emergency, but the form such assistance would take may differ. In particular, financial assistance to private hospitals could take the form of a grant or a short-term loan.

18. *May payments from the Fund be used to assist individuals with enrolling in a government benefit program for those who have been laid off due to COVID-19 and thereby lost health insurance?*

Yes. To the extent that the relevant government official determines that these expenses are necessary and they meet the other requirements set forth in section 601(d) of the Social Security Act outlined in the Guidance, these expenses are eligible.

19. *May recipients use Fund payments to facilitate livestock depopulation incurred by producers due to supply chain disruptions?*

Yes, to the extent these efforts are deemed necessary for public health reasons or as a form of economic support as a result of the COVID-19 health emergency.

20. *Would providing a consumer grant program to prevent eviction and assist in preventing homelessness be considered an eligible expense?*

Yes, assuming that the recipient considers the grants to be a necessary expense incurred due to the COVID-19 public health emergency and the grants meet the other requirements for the use of Fund payments under section 601(d) of the Social Security Act outlined in the Guidance. As a general matter, providing assistance to recipients to enable them to meet property tax requirements would not be an eligible use of funds, but exceptions may be made in the case of assistance designed to prevent foreclosures.

21. *May recipients create a “payroll support program” for public employees?*

Use of payments from the Fund to cover payroll or benefits expenses of public employees are limited to those employees whose work duties are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

22. *May recipients use Fund payments to cover employment and training programs for employees that have been furloughed due to the public health emergency?*

Yes, this would be an eligible expense if the government determined that the costs of such employment and training programs would be necessary due to the public health emergency.

23. *May recipients use Fund payments to provide emergency financial assistance to individuals and families directly impacted by a loss of income due to the COVID-19 public health emergency?*

Yes, if a government determines such assistance to be a necessary expenditure. Such assistance could include, for example, a program to assist individuals with payment of overdue rent or mortgage payments to avoid eviction or foreclosure or unforeseen financial costs for funerals and other emergency individual needs. Such assistance should be structured in a manner to ensure as much as possible, within the realm of what is administratively feasible, that such assistance is necessary.

24. *The Guidance provides that eligible expenditures may include expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures. What is meant by a “small business,” and is the Guidance intended to refer only to expenditures to cover administrative expenses of such a grant program?*

Governments have discretion to determine what payments are necessary. A program that is aimed at assisting small businesses with the costs of business interruption caused by required closures should be tailored to assist those businesses in need of such assistance. The amount of a grant to a small business to reimburse the costs of business interruption caused by required closures would also be an eligible expenditure under section 601(d) of the Social Security Act, as outlined in the Guidance.

25. *The Guidance provides that expenses associated with the provision of economic support in connection with the public health emergency, such as expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures, would constitute eligible expenditures of Fund payments. Would such expenditures be eligible in the absence of a stay-at-home order?*

Fund payments may be used for economic support in the absence of a stay-at-home order if such expenditures are determined by the government to be necessary. This may include, for example, a grant program to benefit small businesses that close voluntarily to promote social distancing measures or that are affected by decreased customer demand as a result of the COVID-19 public health emergency.

26. *May Fund payments be used to assist impacted property owners with the payment of their property taxes?*

Fund payments may not be used for government revenue replacement, including the provision of assistance to meet tax obligations.

27. *May Fund payments be used to replace foregone utility fees? If not, can Fund payments be used as a direct subsidy payment to all utility account holders?*

Fund payments may not be used for government revenue replacement, including the replacement of unpaid utility fees. Fund payments may be used for subsidy payments to electricity account holders to the extent that the subsidy payments are deemed by the recipient to be necessary expenditures incurred due to the COVID-19 public health emergency and meet the other criteria of section 601(d) of the Social Security Act outlined in the Guidance. For example, if determined to be a necessary expenditure, a government could provide grants to individuals facing economic hardship to allow them to pay their utility fees and thereby continue to receive essential services.

28. *Could Fund payments be used for capital improvement projects that broadly provide potential economic development in a community?*

In general, no. If capital improvement projects are not necessary expenditures incurred due to the COVID-19 public health emergency, then Fund payments may not be used for such projects.

However, Fund payments may be used for the expenses of, for example, establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity or improve mitigation measures, including related construction costs.

29. *The Guidance includes workforce bonuses as an example of ineligible expenses but provides that hazard pay would be eligible if otherwise determined to be a necessary expense. Is there a specific definition of “hazard pay”?*

Hazard pay means additional pay for performing hazardous duty or work involving physical hardship, in each case that is related to COVID-19.

30. *The Guidance provides that ineligible expenditures include “[p]ayroll or benefits expenses for employees whose work duties are not substantially dedicated to mitigating or responding to the COVID-19 public health emergency.” Is this intended to relate only to public employees?*

Yes. This particular nonexclusive example of an ineligible expenditure relates to public employees. A recipient would not be permitted to pay for payroll or benefit expenses of private employees and any financial assistance (such as grants or short-term loans) to private employers are not subject to the restriction that the private employers’ employees must be substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

31. *May counties pre-pay with CARES Act funds for expenses such as a one or two-year facility lease, such as to house staff hired in response to COVID-19?*

A government should not make prepayments on contracts using payments from the Fund to the extent that doing so would not be consistent with its ordinary course policies and procedures.

32. *Must a stay-at-home order or other public health mandate be in effect in order for a government to provide assistance to small businesses using payments from the Fund?*

No. The Guidance provides, as an example of an eligible use of payments from the Fund, expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures. Such assistance may be provided using amounts received from the Fund in the absence of a requirement to close businesses if the relevant government determines that such expenditures are necessary in response to the public health emergency.

33. *Should States receiving a payment transfer funds to local governments that did not receive payments directly from Treasury?*

Yes, provided that the transferred funds are used by the local government for eligible expenditures under the statute. To facilitate prompt distribution of Title V funds, the CARES Act authorized Treasury to make direct payments to local governments with populations in excess of 500,000, in amounts equal to 45% of the local government's per capita share of the statewide allocation. This statutory structure was based on a recognition that it is more administratively feasible to rely on States, rather than the federal government, to manage the transfer of funds to smaller local governments. Consistent with the needs of all local governments for funding to address the public health emergency, States should transfer funds to local governments with populations of 500,000 or less, using as a benchmark the per capita allocation formula that governs payments to larger local governments. This approach will ensure equitable treatment among local governments of all sizes.

For example, a State received the minimum \$1.25 billion allocation and had one county with a population over 500,000 that received \$250 million directly. The State should distribute 45 percent of the \$1 billion it received, or \$450 million, to local governments within the State with a population of 500,000 or less.

34. *May a State impose restrictions on transfers of funds to local governments?*

Yes, to the extent that the restrictions facilitate the State's compliance with the requirements set forth in section 601(d) of the Social Security Act outlined in the Guidance and other applicable requirements such as the Single Audit Act, discussed below. Other restrictions, such as restrictions on reopening that do not directly concern the use of funds, are not permissible.

35. *If a recipient must issue tax anticipation notes (TANs) to make up for tax due date deferrals or revenue shortfalls, are the expenses associated with the issuance eligible uses of Fund payments?*

If a government determines that the issuance of TANs is necessary due to the COVID-19 public health emergency, the government may expend payments from the Fund on the interest expense payable on TANs by the borrower and unbudgeted administrative and transactional costs, such as necessary payments to advisors and underwriters, associated with the issuance of the TANs.

36. *May recipients use Fund payments to expand rural broadband capacity to assist with distance learning and telework?*

Such expenditures would only be permissible if they are necessary for the public health emergency. The cost of projects that would not be expected to increase capacity to a significant extent until the need for distance learning and telework have passed due to this public health emergency would not be necessary due to the public health emergency and thus would not be eligible uses of Fund payments.

37. *Are costs associated with increased solid waste capacity an eligible use of payments from the Fund?*

Yes, costs to address increase in solid waste as a result of the public health emergency, such as relates to the disposal of used personal protective equipment, would be an eligible expenditure.

38. *May payments from the Fund be used to cover across-the-board hazard pay for employees working during a state of emergency?*

No. Hazard pay means additional pay for performing hazardous duty or work involving physical hardship, in each case that is related to COVID-19. Payments from the fund may only be used to cover such hazard pay.

39. *May Fund payments be used for expenditures related to the administration of Fund payments by a State, territorial, local, or Tribal government?*

Yes, if the administrative expenses represent an increase over previously budgeted amounts and are limited to what is necessary. For example, a State may expend Fund payments on necessary administrative expenses incurred with respect to a new grant program established to disburse amounts received from the Fund.

40. *May recipients use Fund payments to provide loans?*

Yes, if the loans otherwise qualify as eligible expenditures under section 601(d) of the Social Security Act as implemented by the Guidance. Any amounts repaid by the borrower before December 30, 2020, must be either returned to Treasury upon receipt by the unit of government providing the loan or used for another expense that qualifies as an eligible expenditure under section 601(d) of the Social Security Act. Any amounts not repaid by the borrower until after December 30, 2020, must be returned to Treasury upon receipt by the unit of government lending the funds.

41. *May Fund payments be used for expenditures necessary to prepare for a future COVID-19 outbreak?*

Fund payments may be used only for expenditures necessary to address the current COVID-19 public health emergency. For example, a State may spend Fund payments to create a reserve of personal protective equipment or develop increased intensive care unit capacity to support regions in its jurisdiction not yet affected, but likely to be impacted by the current COVID-19 pandemic.

42. *May funds be used to satisfy non-federal matching requirements under the Stafford Act?*

Yes, payments from the Fund may be used to meet the non-federal matching requirements for Stafford Act assistance to the extent such matching requirements entail COVID-19-related costs that otherwise satisfy the Fund's eligibility criteria and the Stafford Act. Regardless of the use of Fund payments for such purposes, FEMA funding is still dependent on FEMA's determination of eligibility under the Stafford Act.

43. *Must a State, local, or tribal government require applications to be submitted by businesses or individuals before providing assistance using payments from the Fund?*

Governments have discretion to determine how to tailor assistance programs they establish in response to the COVID-19 public health emergency. However, such a program should be structured in such a manner as will ensure that such assistance is determined to be necessary in response to the COVID-19 public health emergency and otherwise satisfies the requirements of the CARES Act and other applicable law. For example, a per capita payment to residents of a particular jurisdiction without an assessment of individual need would not be an appropriate use of payments from the Fund.

44. *May Fund payments be provided to non-profits for distribution to individuals in need of financial assistance, such as rent relief?*

Yes, non-profits may be used to distribute assistance. Regardless of how the assistance is structured, the financial assistance provided would have to be related to COVID-19.

45. *May recipients use Fund payments to remarket the recipient's convention facilities and tourism industry?*

Yes, if the costs of such remarketing satisfy the requirements of the CARES Act. Expenses incurred to publicize the resumption of activities and steps taken to ensure a safe experience may be needed due to the public health emergency. Expenses related to developing a long-term plan to reposition a recipient's convention and tourism industry and infrastructure would not be incurred due to the public health emergency and therefore may not be covered using payments from the Fund.

46. *May a State provide assistance to farmers and meat processors to expand capacity, such to cover overtime for USDA meat inspectors?*

If a State determines that expanding meat processing capacity, including by paying overtime to USDA meat inspectors, is a necessary expense incurred due to the public health emergency, such as if increased capacity is necessary to allow farmers and processors to donate meat to food banks, then such expenses are eligible expenses, provided that the expenses satisfy the other requirements set forth in section 601(d) of the Social Security Act outlined in the Guidance.

47. *The guidance provides that funding may be used to meet payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency. May Fund payments be used to cover such an employee's entire payroll cost or just the portion of time spent on mitigating or responding to the COVID-19 public health emergency?*

As a matter of administrative convenience, the entire payroll cost of an employee whose time is substantially dedicated to mitigating or responding to the COVID-19 public health emergency is eligible, provided that such payroll costs are incurred by December 30, 2020. An employer may also track time spent by employees related to COVID-19 and apply Fund payments on that basis but would need to do so consistently within the relevant agency or department.

48. *May Fund payments be used to cover increased administrative leave costs of public employees who could not telework in the event of a stay at home order or a case of COVID-19 in the workplace?*

The statute requires that payments be used only to cover costs that were not accounted for in the budget most recently approved as of March 27, 2020. As stated in the Guidance, a cost meets this requirement if either (a) the cost cannot lawfully be funded using a line item, allotment, or allocation within that budget or (b) the cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation. If the cost of an employee was allocated to administrative leave to a greater extent than was expected, the cost of such administrative leave may be covered using payments from the Fund.

49. Are States permitted to use Coronavirus Relief Fund payments to satisfy non-federal matching requirements under the Stafford Act, including “lost wages assistance” authorized by the Presidential Memorandum on Authorizing the Other Needs Assistance Program for Major Disaster Declarations Related to Coronavirus Disease 2019 (August 8, 2020)?

Yes. As previous guidance has stated, payments from the Fund may be used to meet the non-federal matching requirements for Stafford Act assistance to the extent such matching requirements entail COVID-19-related costs that otherwise satisfy the Fund’s eligibility criteria and the Stafford Act. States are fully permitted to use payments from the Fund to satisfy 100% of their cost share for lost wages assistance recently made available under the Stafford Act.

50. At what point would costs be considered to be incurred in the case of a grant made by a State, local, or tribal government to cover interest and principal amounts of a loan, such as might be provided as part of a small business assistance program in which the loan is made by a private institution?

A grant made to cover interest and principal costs of a loan, including interest and principal due after the period that begins on March 1, 2020, and ends on December 30, 2020 (the “covered period”), will be considered to be incurred during the covered period if (i) the full amount of the loan is advanced to the borrower within the covered period and (ii) the proceeds of the loan are used by the borrower to cover expenses incurred during the covered period. In addition, if these conditions are met, the amount of the grant will be considered to have been used during the covered period for purposes of the requirement that expenses be incurred within the covered period. Such a grant would be analogous to a loan provided by the Fund recipient itself that incorporates similar loan forgiveness provisions. As with any other assistance provided by a Fund recipient, such a grant would need to be determined by the recipient to be necessary due to the public health emergency.

51. If governments use Fund payments as described in the Guidance to establish a grant program to support businesses, would those funds be considered gross income taxable to a business receiving the grant under the Internal Revenue Code (Code)?

Please see the answer provided by the Internal Revenue Service (IRS) available at <https://www.irs.gov/newsroom/cares-act-coronavirus-relief-fund-frequently-asked-questions>.

52. If governments use Fund payments as described in the Guidance to establish a loan program to support businesses, would those funds be considered gross income taxable to a business receiving the loan under the Code?

Please see the answer provided by the IRS available at <https://www.irs.gov/newsroom/cares-act-coronavirus-relief-fund-frequently-asked-questions>.

53. May Fund recipients incur expenses associated with the safe reopening of schools?

Yes, payments from the Fund may be used to cover costs associated with providing distance learning (e.g., the cost of laptops to provide to students) or for in-person learning (e.g., the cost of acquiring personal protective equipment for students attending schools in-person or other costs associated with meeting Centers for Disease Control guidelines).

To this end, as an administrative convenience, Treasury will presume that expenses of up to \$500 per elementary and secondary school student to be eligible expenditures, such that schools do not need to document the specific use of funds up to that amount.

54. *May Fund recipients upgrade critical public health infrastructure, such as providing access to running water for individuals and families in rural and tribal areas to allow them to maintain proper hygiene and defend themselves against the virus?*

Yes, fund recipients may use payments from the Fund to upgrade public health infrastructure, such as providing individuals and families access to running water to help reduce the further spread of the virus. As required by the CARES Act, expenses associated with such upgrades must be incurred by December 30, 2020. Please see Treasury’s Guidance as updated on June 30 regarding when a cost is considered to be incurred for purposes of the requirement that expenses be incurred within the covered period.

55. *How does a government address the requirement that the allowable expenditures are not accounted for in the budget most recently approved as of March 27, 2020, once the government enters its new budget year on July 1, 2020 (for governments with June 30 fiscal year ends) or October 1, 2020 (for governments with September 30 year ends)?*

As provided in the Guidance, the “most recently approved” budget refers to the enacted budget for the relevant fiscal period for the particular government, without taking into account subsequent supplemental appropriations enacted or other budgetary adjustments made by that government in response to the COVID-19 public health emergency. A cost is not considered to have been accounted for in a budget merely because it could be met using a budgetary stabilization fund, rainy day fund, or similar reserve account.

Furthermore, the budget most recently approved as of March 27, 2020, provides the spending baseline against which expenditures should be compared for purposes of determining whether they may be covered using payments from the Fund. This spending baseline will carry forward to a subsequent budget year if a Fund recipient enters a different budget year between March 27, 2020 and December 30, 2020. The spending baseline may be carried forward without adjustment for inflation.

56. *Does the National Environmental Policy Act, 42 U.S.C. § 4321 et seq, (NEPA) apply to projects supported by payments from the Fund?*

NEPA does not apply to Treasury’s administration of the Fund. Projects supported with payments from the Fund may still be subject to NEPA review if they are also funded by other federal financial assistance programs.

B. Questions Related to Administration of Fund Payments

1. *Do governments have to return unspent funds to Treasury?*

Yes. Section 601(f)(2) of the Social Security Act, as added by section 5001(a) of the CARES Act, provides for recoupment by the Department of the Treasury of amounts received from the Fund that have not been used in a manner consistent with section 601(d) of the Social Security Act. If a government has not used funds it has received to cover costs that were incurred by December 30, 2020, as required by the statute, those funds must be returned to the Department of the Treasury.

2. *What records must be kept by governments receiving payment?*

A government should keep records sufficient to demonstrate that the amount of Fund payments to the government has been used in accordance with section 601(d) of the Social Security Act.

3. *May recipients deposit Fund payments into interest bearing accounts?*

Yes, provided that if recipients separately invest amounts received from the Fund, they must use the interest earned or other proceeds of these investments only to cover expenditures incurred in accordance with section 601(d) of the Social Security Act and the Guidance on eligible expenses. If a government deposits Fund payments in a government's general account, it may use those funds to meet immediate cash management needs provided that the full amount of the payment is used to cover necessary expenditures. Fund payments are not subject to the Cash Management Improvement Act of 1990, as amended.

4. *May governments retain assets purchased with payments from the Fund?*

Yes, if the purchase of the asset was consistent with the limitations on the eligible use of funds provided by section 601(d) of the Social Security Act.

5. *What rules apply to the proceeds of disposition or sale of assets acquired using payments from the Fund?*

If such assets are disposed of prior to December 30, 2020, the proceeds would be subject to the restrictions on the eligible use of payments from the Fund provided by section 601(d) of the Social Security Act.

6. *Are Fund payments to State, territorial, local, and tribal governments considered grants?*

No. Fund payments made by Treasury to State, territorial, local, and Tribal governments are not considered to be grants but are "other financial assistance" under 2 C.F.R. § 200.40.

7. *Are Fund payments considered federal financial assistance for purposes of the Single Audit Act?*

Yes, Fund payments are considered to be federal financial assistance subject to the Single Audit Act (31 U.S.C. §§ 7501-7507) and the related provisions of the Uniform Guidance, 2 C.F.R. § 200.303 regarding internal controls, §§ 200.330 through 200.332 regarding subrecipient monitoring and management, and subpart F regarding audit requirements.

8. *Are Fund payments subject to other requirements of the Uniform Guidance?*

Fund payments are subject to the following requirements in the Uniform Guidance (2 C.F.R. Part 200): 2 C.F.R. § 200.303 regarding internal controls, 2 C.F.R. §§ 200.330 through 200.332 regarding subrecipient monitoring and management, and subpart F regarding audit requirements.

9. *Is there a Catalog of Federal Domestic Assistance (CFDA) number assigned to the Fund?*

Yes. The CFDA number assigned to the Fund is 21.019.

10. *If a State transfers Fund payments to its political subdivisions, would the transferred funds count toward the subrecipients' total funding received from the federal government for purposes of the Single Audit Act?*

Yes. The Fund payments to subrecipients would count toward the threshold of the Single Audit Act and 2 C.F.R. part 200, subpart F re: audit requirements. Subrecipients are subject to a single audit or program-specific audit pursuant to 2 C.F.R. § 200.501(a) when the subrecipients spend \$750,000 or more in federal awards during their fiscal year.

11. *Are recipients permitted to use payments from the Fund to cover the expenses of an audit conducted under the Single Audit Act?*

Yes, such expenses would be eligible expenditures, subject to the limitations set forth in 2 C.F.R. § 200.425.

12. *If a government has transferred funds to another entity, from which entity would the Treasury Department seek to recoup the funds if they have not been used in a manner consistent with section 601(d) of the Social Security Act?*

The Treasury Department would seek to recoup the funds from the government that received the payment directly from the Treasury Department. State, territorial, local, and Tribal governments receiving funds from Treasury should ensure that funds transferred to other entities, whether pursuant to a grant program or otherwise, are used in accordance with section 601(d) of the Social Security Act as implemented in the Guidance.

EXHIBIT C

Facilities Equipment

Provided by the County of Orange

- 1. 4 station 23' Handicap Accessible Restroom Trailer with 450 gallon holding tank (see attached).**
- 2. 4 station 24' Handicap Accessible Shower Trailer with 450 gallon holding tank (see attached).**
- 3. 60'x105' Sprung Membrane Structure outfitted with ventilation fans and hard door entry points with emergency exiting signage and lighting.**



410 Rathbone Ave
Aurora, IL 60506
Office: 630-906-8002 Mobile: 815-690-3603
Fax: 847-574-7600
Email: kaitlyn@cohsi.com
www.cohsi.com

QUOTATION
202004255
Date: 5/11/2020
Quote is good for 30 days

RESTROOM, SHOWER, COMBINATION AND SPECIALTY TRAILER SALES

CUSTOMER (BUYER)

Name: County of Orange - CA
Address: 1143 E Fruit Street
City, State: Santa Ann, CA
Zip: 92701

Phone: (714) 667-1626
Fax:
Email: Matthew.durbin@ocpw.ocgov.com

SHIP TO:

Name: County of Orange - CA
Address: 1143 E Fruit Street
City, State: Santa Ann, CA 92701
Contact: Matthew Durbin
Phone: (714) 667-1626

4 Station 23' Handicap Accessible Restroom Trailer / 450 Gallon Waste Tank

Interior Color

Industrial Interior

(Grey)

Exterior Color

Pewter Gray

Quantity 3

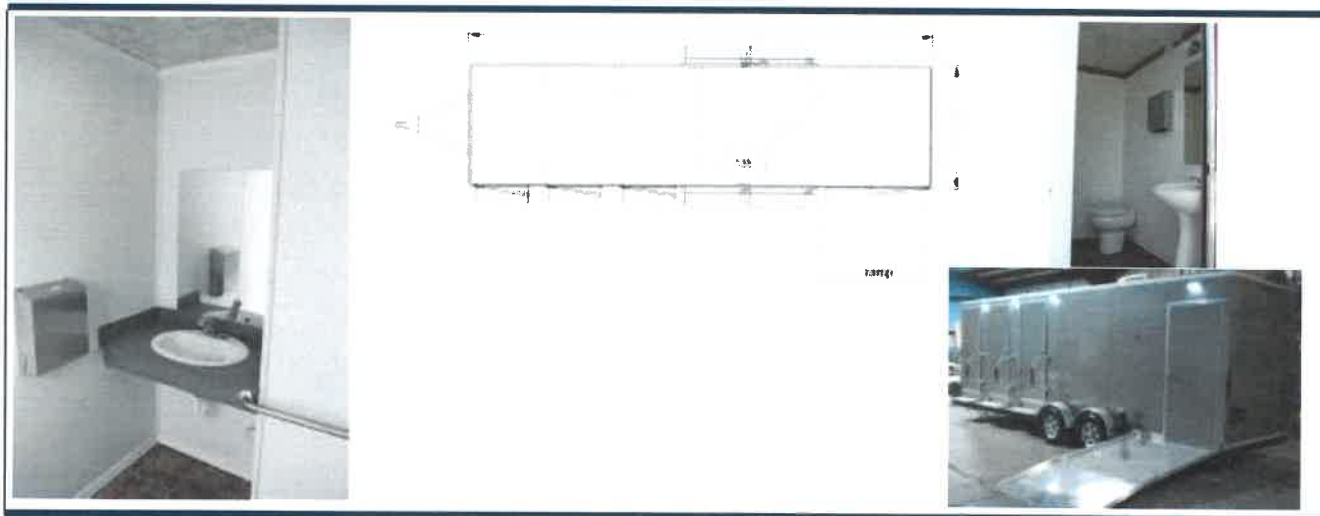
Price Each \$40,730.00

BASE PRICE

\$122,190.00

STANDARD ITEMS

- A/C (13,500 BTU) and Heat Strip (5,600 BTU)
- Heavy Duty Fold-up Alum. Steps & Handle
- Timed Faucets
- Oversized Structural Steel Beams
- All Steel Cage Construction
- HD Tube Framed Doors & Hydraulic Closures
- Poly Insulation
- Smooth Aluminum Exterior Siding
- One Piece Aluminum Seamless Roof
- FRP (fiberglass wall panels)
- Scissor Jack Stabilizers
- Dexter (ITS) Independent Torsion Axles
- Battery Powered Trailer Runaway Protection
- Keyed alike Locks
- LED Interior-Exterior Trailer Lighting Package
- Commercial PEX Water Lines
- E-Z Lube Hubs
- LPG on Demand water heater - shower trailers
- Electric Brakes
- 2- 5/16" Trailer Receiver
- Chip Resistant Undercoating
- Marine Grade Sub Floor
- Waste Tank Sight Gauge
- Vinyl sheet flooring



[See the next page for Optional Items](#)

Pictures and Layouts are for reference only and may not reflect the final product - subject to COHSI Engineer Review

OPTIONAL ITEMS, DELIVERY, AND TOTAL COSTS

3	Options listed on page 2	\$21,685.00	\$ 65,055.00
		Sub Total:	\$187,245.00
			\$ -
Sales Tax (when applicable)		State:	Tax Rate:
6180	Delivery Charge per Mile	\$ 2.00	\$ 12,360.00

No specific certifications, stamps or seals are provided with this trailer...

Such items may be made available from a third party, at an additional cost. (must request prior to build)

Signed Quote and 50% Deposit are required to place order on Production Schedule, unless special arrangements are made.

Final payment of unit will be due upon completion, and before delivery, unless special arrangements are made.

Financing Available -

FINAL PRICE

\$199,605.00

50% or PO Due upon order	\$ 99,802.50
50% Due Upon Completion	\$ 99,802.50

Notes: Industrial Interior - Grey FRP / Aluminum Trim / Coin-Rubber Flooring / Contained with Holding Tanks / Trailer Wired for Generator / CA ADA Compliant Miles (Total of 6,180 Miles)

LED Lighting / Self-Customer Delivery per Trailer 2060



QUOTATION
20200425F

OPTIONAL ITEMS (some items may increase lead time)

Qty	Option	\$/ea	Total \$
	Interior upgrade to Laminated Two Tone walls from FRP panels (per Trailer foot)	\$70	\$0
	Interior upgrade to Grey Laminate walls with Barnwood Accent Wall from FRP panels (per Trailer foot)	\$90	\$0
	Upgrade to 6 Panel Doors from High Privacy Metal Partition Doors (per Door)	\$300	\$0
23	*Wash Down Package* (Aluminum Interior Trim caulked along bottom, so walls can be scrubbed) per Trailer foot. (FRP Basic Interior Only)	\$35	\$805
1	Trailer Wired for Generator (Generator not Included)	\$500	\$500
			\$0
	Upgrade to Non Stock Aluminum (Stock Aluminum : White, Pewter, Charcoal)	\$250	\$0
	Upgrade to Non Stock Laminate (Stock Laminate : Linen, Chocolate, Wedding Cake, Feather Grey)	\$250	\$0
	Upgrade to Non Stock Partition Color (Stock Partition : Latte, Slate, Charcoal)	\$250	\$0
	Remote Monitoring Application (Deep Cycle Battery required)	\$850	\$0
	Solar Panel Charging (per Solar Panel)	\$700	\$0
	Deep Cycle Battery (per Battery)	\$250	\$0
			\$0
	Aluminum Diamond Plate fold up Ramp - Drop Box Units (Wheelchair access)	\$3,300	\$0
	Aluminum Sectional Ramp with 5' Platform & Railing - Quick Easy Setup (Wheelchair access) - (Pricing determined per Trailer Design)	\$0	\$0
1	Lowering Trailer with fold up Ramp - (Wheelchair Access - Grinder Pump Toilet Required)	\$7,800	\$7,800
1	Department Insignia of Approval Incentive to special Purpose Commercial Modular Units - PFS Corporation (ID# 92070) - Listed on the Approved Third Party Agencies for the State of California	\$6,000	\$6,000
			\$0
2	Additional Licensing Charge per Unit After The First Initial Unit	\$200	\$400

Qty	Option	\$/EA	Total \$
23	*Coin Rubber Flooring* (per Trailer foot)	\$70	\$1,610
	6 Lug Aluminum Wheels (each)	\$110	\$0
	Increase Trailer by 1ft	\$850	\$0
	Non-Powered Vent/Skylight with Cover (each)	\$180	\$0
4	Powered Vent/Skylight with Cover (each)	\$230	\$920
	Exterior Frosted Door Window	\$60	\$0
	Diamond Plate Rock Guard	\$400	\$0
	Spare Tire - mounted	\$350	\$0
1	Utility Room w/ Door	\$550	\$550
	Vacant/ Occupied LED Indicators	\$125	\$0
1	Water tank/ pump, 105/140 gallons (Lowering/Normal)	\$780	\$780
	Water tank/ pump, 225 gallons (215 gallons useable)	\$890	\$0
	Water tank/ pump, 300 gallons (275 gallons useable)	\$1,250	\$0
	Water tank & pump, 400 gallons (380 gallons useable)	\$1,350	\$0
1	Hot Water Heater (Cabinet/Utility)	\$300	\$300
4	Wall heaters (each)	\$210	\$840
	Cold Weather Package (per Trailer foot)	\$100	\$0
			\$0
	Upgrade to Fiberglass Subfloor (per Trailer foot)	\$70	\$0
	Outlets - GFI protected	\$120	\$0
	Replace LPG Tankless with Electric (Increases Power Requirement)	\$300	\$0
	Dual 40# Propane Tanks mounted on Tongue	\$500	\$0
	Dual 100# Propane Tanks mounted on Tongue	\$600	\$0
			\$0
			\$0

Qty	Option	\$/ea	Total \$
	Standard Residential Toilet (upgrade)	\$380	\$0
	Add Toilet	\$450	\$0
	Add Urinal	\$450	\$0
	Add Sink (Wall-Mount/Pedestal)	\$475	\$0
	Single Sink to Single Vanity (per Sink)	\$350	\$0
	Single Sink to Double Sink Solid (per Sink)	\$975	\$0
	Upgrade to Vessel Sink (per Sink)	\$150	\$0
	Solid Surface Countertop (per Sink)	\$150	\$0
	Electric Hand Dryer	\$650	\$0
	Single Framed Mirror	\$190	\$0
	Double Framed Mirror	\$280	\$0
	Fold Down Seat (18")	\$225	\$0
	Music Amp w/ 2 speakers and USB/ SD Card	\$550	\$0
	Baby Changing Station	\$275	\$0
	CUSTOMER INSTALLED ACCESSORIES		
4	Double Roll Toilet Paper Dispenser	\$25	\$100
4	Stainless Steel 1-Fold Towel Dispenser	\$95	\$380
	Enmotion Hands Free Towel Dispenser	\$125	\$0
4	Stainless Steel Garbage Can	\$130	\$520
	Gojo Soap Disp. - Hands Free w/ Soap	\$100	\$0
4	Foaming or Liquid Soap Dispenser	\$45	\$180
	Sanitary Napkin Disposal SS	\$55	\$0
			\$0
			\$0

Options selected are highlighted in blue.

OPTIONS PRICE
\$21,685.00

Comforts Clean & Dry Package = Wash Down Package + Coin Rubber Floor + Fiberglass Subfloor (Water-Resistant and Easy to Clean!)

AGREEMENTS:
*Signed Quote and 50% deposit required to place order on Production Schedule. Deposit must be received within 72 hours to secure production space.

- *PO's are acceptable from most government agencies and large corporations.
 - *Buyer Must Agree to Comforts of Home's Terms and Conditions sheet.
 - *Final payment of unit will be due upon completion and before delivery unless special arrangements are made
 - *Items are the sole property of Comforts of Home Services Inc until full payment is made and must be turned over if payment isn't made within 90 days of delivery.
 - *It is understood that no specific certifications, stamps or seals are provided with this trailer. Such items may be made available from a third party, at an additional cost. Any requests for these must be made prior to the production of the trailer, and will affect lead time.
 - *It is the purchasers responsibility to research and provide us with any codes or build standards unique to you area that affect the trailer construction or use.
 - *Quoted lead times are estimated. Production times may vary due to circumstances beyond our control. Once the deposit is received, your order may not be cancelled or refunded.
 - *Any specific requests must be noted on this quote form, or we will build to our standards. This includes but is not limited to materials, fixture locations, and overall design. Items discussed, but not listed on this quotation, will not be added to your final trailer build. This is a custom trailer being built for you.
- Your signature below will serve as acceptance and approval of all trailer pricing, specifications, accessories, and designs listed on this quote.

Signature: _____ Date: _____
Print Name: _____



410 Rathbone Ave
Aurora, IL 60506
Office: 630-906-8002 Mobile: 815-690-3603
Fax: 847-574-7600
Email: kaitlyn@cohsi.com
www.cohsi.com

QUOTATION
202004242

Date: 5/11/2020
Quote is good for 30 days

RESTROOM, SHOWER, COMBINATION AND SPECIALTY TRAILER SALES

CUSTOMER (BUYER)

Name: County of Orange - CA
Address: 1143 E Fruit Street
City, State: Santa Ann, CA
Zip: 92701

Phone: (714) 667-1626
Fax:
Email: Matthew.durbin@ocpw.ocgov.com

SHIP TO:

Name: County of Orange - CA
Address: 1143 E Fruit Street
City, State: Santa Ann, CA 92701
Contact: Matthew Durbin
Phone: (714) 667-1626

4 Station 24' Handicap Accessible Shower Trailer / 450 Gallon Waste Tank

Interior Color

Industrial Interior

(Grey)

Exterior Color

Pewter Gray

Quantity 3

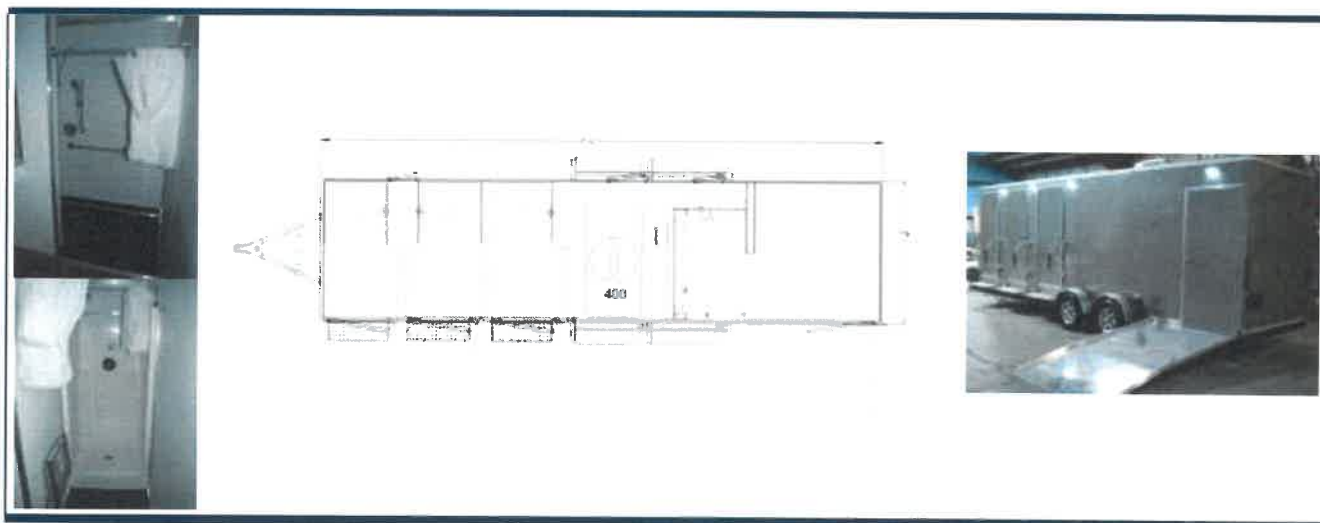
Price Each \$41,980.00

BASE PRICE

\$125,940.00

STANDARD ITEMS

- A/C (13,500 BTU) and Heat Strip (5,600 BTU)
- Heavy Duty Fold-up Alum. Steps & Handle
- Timed Faucets
- Oversized Structural Steel Beams
- All Steel Cage Construction
- HD Tube Framed Doors & Hydraulic Closures
- Poly Insulation
- Smooth Aluminum Exterior Siding
- One Piece Aluminum Seamless Roof
- FRP (fiberglass wall panels)
- Scissor Jack Stabilizers
- Dexter (ITS) Independent Torsion Axles
- Battery Powered Trailer Runaway Protection
- Keyed alike Locks
- LED Interior-Exterior Trailer Lighting Package
- Commercial PEX Water Lines
- E-Z Lube Hubs
- LPG on Demand water heater - shower trailers
- Electric Brakes
- 2- 5/16" Trailer Receiver
- Chip Resistant Undercoating
- Marine Grade Sub Floor
- Waste Tank Sight Gauge
- Vinyl sheet flooring



See the next page for Optional Items

Pictures and Layouts are for reference only and may not reflect the final product - subject to COHSI Engineer Review

OPTIONAL ITEMS, DELIVERY, AND TOTAL COSTS

3	Options listed on page 2	\$21,780.00	\$ 65,340.00
		Sub Total:	\$191,280.00
			\$ -
Sales Tax (when applicable)		State:	\$ -
		Tax Rate:	\$ -
6180	Delivery Charge per Mile	\$ 2.00	\$ 12,360.00

No specific certifications, stamps or seals are provided with this trailer...

Such items may be made available from a third party, at an additional cost. (must request prior to build)

Signed Quote and 50% Deposit are required to place order on Production Schedule, unless special arrangements are made.

Final payment of unit will be due upon completion, and before delivery, unless special arrangements are made.

Financing Available -

FINAL PRICE

\$203,640.00

50% or PO Due upon order	\$ 101,820.00
50% Due Upon Completion	\$ 101,820.00

Notes: Industrial Interior - Grey FRP / Aluminum Trim / Coin-Rubber Flooring / Fiberglass Subfloor / LED Lighting / Self-Contained with Holding Tanks / Propane Tanks Mounted on Tongue / Trailer Wired for Generator / CA ADA Compliant Customer Delivery per Trailer 2060 Miles (Total of 6,180 Miles)



QUOTATION
202004242

OPTIONAL ITEMS (some items may increase lead time)

Qty	Option	\$/ea	Total \$
	Interior upgrade to Laminated Two Tone walls from FRP panels (per Trailer foot)	\$70	\$0
	Interior upgrade to Grey Laminate walls with Barnwood Accent Wall from FRP panels (per Trailer foot)	\$90	\$0
	Upgrade to 6 Panel Doors from High Privacy Metal Partition Doors (per Door)	\$300	\$0
24	*Wash Down Package* (Aluminum Interior Trim caulked along bottom so walls can be scrubbed) per Trailer foot. (FRP Basic Interior Only)	\$35	\$840
1	Trailer Wired for Generator (Generator not Included)	\$500	\$500
	Upgrade to Non Stock Aluminum (Stock Aluminum : White, Pewter, Charcoal)	\$250	\$0
	Upgrade to Non Stock Laminate (Stock Laminate : Linen, Chocolate, Wedding Cake, Feather Grey)	\$250	\$0
	Upgrade to Non Stock Partition Color (Stock Partition : Latte, Slate, Charcoal)	\$250	\$0
	Remote Monitoring Application (Deep Cycle Battery required)	\$850	\$0
	Solar Panel Charging (per Solar Panel)	\$700	\$0
	Deep Cycle Battery (per Battery)	\$250	\$0
	Aluminum Diamond Plate fold up Ramp - Drop Box Units (Wheelchair access)	\$3,300	\$0
	Aluminum Sectional Ramp with 5' Platform & Railing - Quick Easy Setup (Wheelchair access) - (Pricing determined per Trailer Design)	\$0	\$0
1	Lowering Trailer with fold up Ramp - (Wheelchair Access / Grinder Pump Toilet Required)	\$7,800	\$7,800
1	Department Insignia of Approval issued to Special Purpose Commercial Modular Units - PFS Corporation (ID # 92089) Listed on the Approved Third Party Agencies for the State of California	\$6,000	\$6,000
2	Additional Licensing Charge per Unit After The First Initial Unit	\$200	\$400

Qty	Option	\$/EA	Total \$
24	*Coin Rubber Flooring* (per Trailer foot)	\$70	\$1,680
	6 Lug Aluminum Wheels (each)	\$110	\$0
	Increase Trailer by 1ft	\$850	\$0
	Non-Powered Vent/Skylight with Cover (each)	\$180	\$0
4	Powered Vent/Skylight with Cover (each)	\$230	\$920
	Exterior Frosted Door Window	\$60	\$0
	Diamond Plate Rock Guard	\$400	\$0
	Spare Tire - mounted	\$350	\$0
1	Utility Room w/ Door	\$550	\$550
	Vacant/ Occupied LED Indicators	\$125	\$0
	Water tank/ pump, 105/140 gallons (Lowering/Normal)	\$780	\$0
	Water tank/ pump, 225 gallons (215 gallons useable)	\$890	\$0
	Water tank/ pump, 300 gallons (275 gallons useable)	\$1,250	\$0
1	Water tank & pump, 400 gallons (380 gallons useable)	\$1,350	\$1,350
1	Hot Water Heater (Cabinet/Utility)	\$300	\$300
4	Wall heaters (each)	\$210	\$840
	Cold Weather Package (per Trailer foot)	\$100	\$0
			\$0
Inc.	*Upgrade to Fiberglass Subfloor* (per Trailer foot)	\$70	\$0
	Outlets - GFI protected	\$120	\$0
	Replace LPG Tankless with Electric (Increases Power Requirement)	\$300	\$0
	Dual 40# Propane Tanks mounted on Tongue	\$500	\$0
1	Dual 100# Propane Tanks mounted on Tongue	\$600	\$600
			\$0
			\$0

Qty	Option	\$/ea	Total \$
	Standard Residential Toilet (upgrade)	\$380	\$0
	Add Toilet	\$450	\$0
	Add Urinal	\$450	\$0
	Add Sink (Wall-Mount/Pedestal)	\$475	\$0
	Single Sink to Single Vanity (per Sink)	\$350	\$0
	Single Sink to Double Sink Solid (per Sink)	\$975	\$0
	Upgrade to Vessel Sink (per Sink)	\$150	\$0
	Solid Surface Countertop (per Sink)	\$150	\$0
	Electric Hand Dryer	\$650	\$0
	Single Framed Mirror	\$190	\$0
	Double Framed Mirror	\$280	\$0
	Fold Down Seat (18")	\$225	\$0
	Music Amp w/ 2 speakers and USB/ SD Card	\$550	\$0
	Baby Changing Station	\$275	\$0
	CUSTOMER INSTALLED ACCESSORIES		
	Double Roll Toilet Paper Dispenser	\$25	\$0
	Stainless Steel C-Fold Towel Dispenser	\$95	\$0
	Enmotion Hands Free Towel Dispenser	\$125	\$0
	Stainless Steel Garbage Can	\$130	\$0
	Gojo Soap Disp. - Hands Free w/ Soap	\$100	\$0
	Foaming or Liquid Soap Dispenser	\$45	\$0
	Sanitary Napkin Disposal SS	\$55	\$0
			\$0
			\$0
			\$0

Options selected are highlighted in blue.

OPTIONS PRICE
\$21,780.00

Comforts Clean & Dry Package = Wash Down Package + Coin Rubber Floor + Fiberglass Subfloor (Water-Resistant and Easy to Clean!)

AGREEMENTS:

Signed Quote and 50% deposit required to place order on Production Schedule. Deposit must be received within 72 hours to secure production space.

*PO's are acceptable from most government agencies and large corporations.

*Buyer Must Agree to Comforts of Home's Terms and Conditions sheet.

***Final payment of unit will be due upon completion and before delivery unless special arrangements are made**

*Items are the sole property of Comforts of Home Services Inc until full payment is made and must be turned over if payment isn't made within 90 days of delivery.

*It is understood that no specific certifications, stamps or seals are provided with this trailer. Such items may be made available from a third party, at an additional cost. Any requests for these must be made prior to the production of the trailer, and will affect lead time.

*It is the purchasers responsibility to research and provide us with any codes or build standards unique to you area that affect the trailer construction or use.

*Quoted lead times are estimated. Production times may vary due to circumstances beyond our control. Once the deposit is received, your order may not be cancelled or refunded.

*Any specific requests must be noted on this quote form, or we will build to our standards. This includes but is not limited to materials, fixture locations, and overall design. Items discussed, but not listed on this quotation, will not be added to your final trailer build. This is a custom trailer being built for you.

Your signature below will serve as acceptance and approval of all trailer pricing, specifications, accessories, and designs listed on this quote.

Signature: _____

Date: _____

Print Name: _____

Exhibit D



County of Orange

County Executive Office

April 13, 2020

I, Frank Kim, am the chief executive of the County of Orange, and I certify that:

1. I have the authority on behalf of the County of Orange to request direct payment from the Department of the Treasury ('Treasury') pursuant to section 601(b) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136, div. A, Title V (Mar. 27, 2020).
2. I understand that Treasury will rely on this certification as a material representation in making a direct payment to the County of Orange.
3. The County of Orange's proposed uses of the funds provided as direct payment under section 601(b) of the Social Security Act will be used only to cover those costs that-
 - a. are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
 - b. were not accounted for in the budget most recently approved as of March 27, 2020, for [insert name of local government entity]; and
 - c. were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.

By: Frank Kim

Signature: 

Title: County Executive Officer

Date: 4/13/20

PAPERWORK REDUCTION ACT NOTICE

The information collected will be used for the U.S. Government to process requests for support. The estimated burden associated with this collection of information is two hour per response. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Office of Privacy, Transparency and Records, Department of the Treasury, 1500 Pennsylvania Ave., N.W., Washington, D.C. 20220. DO NOT send the form to this address. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid control number assigned by OMB.

Exhibit E
 County of Orange
 COVID-19 - CARES Act Funding
 Report of Expenses by Subrecipient

DUNS Number _____
 Sub-Recipient Entity Name _____
 Project Name _____
 Date of Award _____
 Amount of Award _____
 Award Period _____

CFDA#	FAIN #	Program/Service Title	Federal Funding Agency	Federal Award Date	Federal Award Indirect Rate	Amount	R&D Award (Y/N)
21.019	SLT012	Coronavirus Relief Fund (CRF)	US Department of Treasury	4/22/2020	N/A or 10% de Minimus Rate	554,133,765	N

Expenses by Category [4]	September 2020			October 2020			November 2020			December 2020			TOTAL	
	[1] Expenditures Incurred	[2] Balance of Amounts Obligated / Committed	[3] Total Projected Expenditure of Award	[1] Expenditures Incurred	[2] Balance of Amounts Obligated / Committed	[3] Total Projected Expenditure of Award	[1] Expenditures Incurred	[2] Balance of Amounts Obligated / Committed	[3] Total Projected Expenditure of Award	[1] Expenditures Incurred	[2] Balance of Amounts Obligated / Committed	[3] Total Projected Expenditure of Award	Award Expended	Award Obligated
Administrative Expenses			-			-			-			-	-	-
Budgeted Personnel and Services Diverted to a Substantially Different Use			-			-			-			-	-	-
COVID-19 Testing and Contact Tracing			-			-			-			-	-	-
Economic Support (Other than Small Business, Housing, and Food Assistance)			-			-			-			-	-	-
Expenses Associated with the Issuance of Tax Anticipation Notes			-			-			-			-	-	-
Facilitating Distance Learning			-			-			-			-	-	-
Food Programs			-			-			-			-	-	-
Housing Support			-			-			-			-	-	-
Improve Telework Capabilities of Public Employees			-			-			-			-	-	-
Medical Expenses			-			-			-			-	-	-
Nursing Home Assistance			-			-			-			-	-	-
Payroll for Public Health and Safety Employees			-			-			-			-	-	-
Personal Protective Equipment			-			-			-			-	-	-
Public Health Expenses			-			-			-			-	-	-
Small Business Assistance			-			-			-			-	-	-
Unemployment Benefits ^{3/}			-			-			-			-	-	-
Workers' Compensation			-			-			-			-	-	-
Items Not Listed Above (list below)			-			-			-			-	-	-
Other			-			-			-			-	-	-
Other			-			-			-			-	-	-
Other			-			-			-			-	-	-
Other			-			-			-			-	-	-
Total All Categories	-	-	-	-	-	-	-	-	-	-	-	-	-	-

[1] Report the actual expenditures incurred as of the last day of the reporting period. This includes payments made or due for goods or services received.

[2] Report the balance of future commitments not yet incurred but anticipated to be incurred on or before December 30, 2020.

[3] Represents the total incurred and obligated for the period of September 1, 2020, to December 30, 2020.

[4] Refer to the US Treasury's Office of the Inspector General for further guidance and descriptions for each expenditure category.

<https://www.treasury.gov/about/organizational-structure/ig/Pages/cares-overview.aspx>