

**REQUEST FOR AGENDA PLACEMENT FORM**

**Submission Deadline - Tuesday, 12:00 PM before Court Dates**

SUBMITTED BY: CJO TODAY'S DATE: 8/25/22

DEPARTMENT: CJO

SIGNATURE OF DEPARTMENT HEAD: \_\_\_\_\_

REQUESTED AGENDA DATE: 9/12/2022

**SPECIFIC AGENDA WORDING:**

Consideration of Beneficiary Agreement Between Johnson County and Crazy8 Ministries for the Distribution of ARPA Funds

COMMISSIONERS COURT

SEP 12 2022

**Approved**

**PERSON(S) TO PRESENT ITEM:**

Judge Harmon

**SUPPORT MATERIAL:** (Must enclose supporting documentation)

TIME: 1 minute  
(Anticipated number of minutes needed to discuss item)

ACTION ITEM:   
WORKSHOP:  
CONSENT:  
EXECUTIVE:

**STAFF NOTICE:**

COUNTY ATTORNEY:   
AUDITOR:   
PERSONNEL:  
BUDGET COORDINATOR:

IT DEPARTMENT:  
PURCHASING DEPARTMENT:   
PUBLIC WORKS:  
OTHER:

This Section to be completed by County Judge's Office

ASSIGNED AGENDA DATE: \_\_\_\_\_

REQUEST RECEIVED BY COUNTY JUDGE'S OFFICE:

\_\_\_\_\_  
COURT MEMBER APPROVAL:

\_\_\_\_\_  
DATE:

**BENEFICIARY AGREEMENT BETWEEN JOHNSON COUNTY AND Crazy8  
Ministries FOR THE DISTRIBUTION OF ARPA FUNDS**

THIS AGREEMENT made, entered into and executed by and between Johnson County, Texas, a political subdivision of the State of Texas, referred to as "County" and Crazy8 Ministries, a nonprofit organizations in Johnson County, Texas.

**WITNESSETH:**

**WHEREAS**, on March 11, 2021, the American Rescue Plan Act (H.R. 1319), § 4001, ("ARPA") was signed into law providing federal funding relief for American workers, families, industries, and state and local governments;

**WHEREAS**, on May 10, 2021, the United State Department of Treasury released an interim final guide on allowed uses of funds and allocated \$350 billion for state, local, territorial, and Tribal governments from the American Rescue Plan Act Fund;

**WHEREAS**, Johnson County was allocated \$34,150,391 in ARPA funds, and received half of this amount in 2021 and the other half in 2022;

**WHEREAS**, the Crazy8 Ministries and its employees have been and continue to be on the front line of the Covid-19 pandemic. The Crazy8 Ministries has experienced a loss of funding as well as an increase in services as specifically described in the memorandum provided herein as Exhibit "A";

**WHEREAS**, the Crazy8 Ministries was not a recipient of ARPA funds for Connections Center (Project A) and Mobile Renovation (Project B). Specifically, the Crazy8 Ministries plans Connections Center (Project A) and Mobile Renovation (Project B) in Johnson County by utilizing ARPA funding Connections Center (Project A) and Mobile Renovation (Project B) for Crazy8 Ministries;

**WHEREAS**, The Crazy8 Ministries is a 501(c)(3) nonprofit organization, and is able to provide documentation as provided by the United States Internal Revenue Services; and

**WHEREAS**, the County has determined the Crazy8 Ministries is an appropriate beneficiary to receive a grant of ARPA funds.

**NOW, THEREFORE**, County and the Crazy8 Ministries in consideration of these mutual covenants and agreements, agree as follows:

1. The purpose of this agreement is to enable County to provide a portion of its ARPA funding to the Crazy8 Ministries as a beneficiary to enable the Crazy8 Ministries to build a connections center (Project A) and mobile renovation (Project B). This agreement is not intended to provide ARPA funding for any purposes that are not allowable under Texas law.

2. The Crazy8 Ministries agrees that all funds received from County pursuant to this agreement shall be used for the purposes stated in paragraph 1.

3. The County agrees to provide the Crazy8 Ministries with \$147,000 for Project A and \$48,000 for Project B for a total of \$195,000. It is the intent of the parties that these funds will be used within one year from the effective date of this agreement. If any portion of the funds have not been used within one year from the effective date, the Crazy8 Ministries will return the unused funds to County unless the Crazy8 Ministries requests and receives an extension of time. Thirty (30%) of the funds will be provided to the Crazy8 Ministries within two weeks after approval of this agreement by the parties. Thirty percent (30%) of the funds will be provided to the Crazy8 Ministries at Fifty (50%) completion. Thirty percent (30%) of the funds will be provided to the Crazy8 Ministries at Seventy Five (75%) completion. Ten (10%) shall be retained by the County until completion of the project. Upon project completion and submission of final progress report the Johnson County Auditor may pay the remaining 10% of the allocated funds. Johnson County reserves the right to retain all 10% of the final payment, until final approval is given.

4. The amount provided pursuant to this agreement does not obligate County to provide additional funds to the f Crazy8 Ministries or these or any other purposes in the future.

5. In order to ensure compliance with the existing ARPA and SLFRF (Coronavirus State and Local Fiscal Recovery Funds program) guidelines set forth by the US Treasury, while also ensuring that all expenditures within the scope of this Agreement adhere to future guidelines that may be established by the US Treasury during the term of this Agreement, the Crazy8 Ministries shall provide any additional documentation to support such expenditures requested by the Johnson County Auditor upon request.

6. The Crazy8 Ministries shall provide to the County monthly progress reports documenting the project progress. The Crazy8 Ministries shall provide to the County Auditor any invoices for work performed, goods and services, copies of cleared checks for payment of invoices, photographs, plans, designs, or any other documentation as deemed necessary by the County Auditor to show the projects progress. The Crazy8 Ministries shall provide the requested documentation on or before the last business day of each successive month after the effective date of this agreement. The County may request additional information from the Crazy8 Ministries as needed, to meet any additional guidelines regarding the use of ARPA funds that may be established by the US Treasury.

7. The Crazy8 Ministries shall comply with all federal, state, and local laws and all requirements and published guidance set forth regarding the usage of any and all monies appropriated under the ARPA. The parties agree that the County reserves the right to hire or consult with a 3rd Party for compliance with all state, federal, and local laws regarding the usage of ARPA funds. The Crazy8 Ministries agrees to cooperate with any request for information, documentation, or other necessary actions to ensure ARPA compliance from either Johnson County, its contractors, or employees.

8. The Crazy8 Ministries shall maintain records, books, documents, and other materials relevant to its performance under this Agreement. These records shall be subject to

inspection, review, and audit by the County or its designees, and the US Treasury for five (5) years following termination of this Agreement. If it is determined during the course of the audit that the Crazy8 Ministries was reimbursed for unallowable costs under this Agreement, the Crazy8 Ministries agrees to promptly reimburse the County for such payments upon request

9. The Crazy8 Ministries agrees to comply with any reporting obligations established by Treasury as they relate to this grant.

10. If the Crazy8 Ministries uses any portion of the funds provided under this agreement for any purposes not directly related to the intended purpose of this agreement or uses the funds for a purpose not allowed by Texas law, County shall have the right to require a return of all or any portion of the funds so provided. If the Crazy8 Ministries fails to provide any report required by this agreement or fails to provide any other documents requested by a Johnson County official pursuant to this agreement, County shall have the right to require a return of all or any portion of the funds so provided.

11. At no times while operating under this Agreement will any officers, employees, or volunteers of either entity be considered employees or agents of the other entity.

12. It is expressly understood and agreed that no provision of this agreement is in any way intended to constitute a waiver by either party of any immunity from suit or liability that the parties or any of their officers and employees may have by operation of law.

13. This agreement shall be construed to effectuate the purpose stated in Section I. If any provision of this agreement is declared unconstitutional, or the applicability to any persons or circumstances is held invalid, the constitutionality of the remainder of the agreement and applicability to the other persons and circumstances shall not be affected.

14. The parties to this agreement do not intend to create a third-party beneficiary or for any third party to obtain a right by virtue of this Agreement. Neither this agreement, nor any term or provision hereof, nor any inclusion by reference, shall be construed as being for the benefit of any party not in signatory hereto.

15. The parties shall observe and comply with all applicable federal, state, and local laws, rules, ordinances, and regulations in any manner affecting this agreement.

16. It is mutually understood that nothing in this Agreement is intended or shall be construed in any way creating or establishing the relationship of partners between the parties hereto, or as constituting either party as an agent or representative of the other party for any purpose or in any manner whatsoever.

**17. INDEMNIFICATION: THE PROVISIONS OF THIS ARTICLE SHALL SURVIVE THE TERMINATION OF THIS AMENDED AGREEMENT HOWEVER CAUSED, AND NO PAYMENT, PARTIAL PAYMENT, OR ISSUANCE OF EITHER A CERTIFICATE OF SUBSTANTIAL COMPLETION OR FINAL SYSTEM ACCEPTANCE IN WHOLE OR IN PART SHALL WAIVE OR RELEASE ANY OF THE PROVISIONS OF THIS ARTICLE.**

**THE Crazy8 Ministries SHALL INDEMNIFY, DEFEND, AND HOLD HARMLESS THE COUNTY ITS OFFICERS, DIRECTORS, AGENTS, EMPLOYEES, SUCCESSORS AND ASSIGNS ("INDEMNIFIED PARTIES") FROM AND AGAINST ALL CLAIMS AND LIABILITY DUE TO THE ACTIVITIES OF CONTRACTOR, OR ANOTHER ENTITY OVER WHICH Crazy8 Ministries EXERCISES CONTROL, PERFORMED UNDER THIS AMENDED AGREEMENT AND WHICH RESULT FROM ANY NEGLIGENT ACT, ERROR, OR OMISSION; INTENTIONAL TORT; INTELLECTUAL PROPERTY INFRINGEMENT; OR FAILURE TO PAY A SUB Crazy8 Ministries OR SUPPLIER; COMMITTED BY Crazy8 Ministries OR ANOTHER ENTITY OVER WHICH Crazy8 Ministries EXERCISES CONTROL.**

**THE Crazy8 Ministries SHALL ALSO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE COUNTY FROM AND AGAINST ANY AND ALL EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES WHICH MIGHT BE INCURRED BY THE COUNTY, IN LITIGATION OR OTHERWISE RESISTING SAID CLAIMS OR LIABILITIES WHICH MIGHT BE IMPOSED ON THE COUNTY AS THE RESULT OF SUCH ACTIVITIES BY Crazy8 Ministries OR ANOTHER ENTITY OVER WHICH THE Crazy8 Ministries EXERCISES CONTROL.**

**THE Crazy8 Ministries SHALL INDEMNIFY, DEFEND, AND HOLD THE COUNTY HARMLESS FROM ANY AND ALL LIABILITY, EXPENSE, JUDGMENT, SUIT, CAUSE OF ACTION, OR DEMAND FOR PERSONAL INJURY, DEATH, OR DIRECT DAMAGE TO TANGIBLE PROPERTY WHICH MAY ACCRUE AGAINST THE COUNTY TO THE EXTENT IT IS CAUSED BY THE NEGLIGENCE OF Crazy8 Ministries OR ANOTHER ENTITY OVER WHICH Crazy8 Ministries EXERCISES CONTROL, WHILE PERFORMING SERVICES UNDER THIS AMENDED AGREEMENT. COUNTY WILL GIVE THE Crazy8 Ministries PROMPT, WRITTEN NOTICE OF ANY SUCH CLAIM OR SUIT. COUNTY SHALL COOPERATE WITH Crazy8 Ministries IN ITS DEFENSE OR SETTLEMENT OF SUCH CLAIM OR SUIT.**

**THE Crazy8 Ministries SHALL INDEMNIFY, DEFEND, AND HOLD HARMLESS THE COUNTY FROM AND ALL THIRD PARTY CLAIMS, DAMAGES, LIABILITIES AND EXPENSES (INCLUDING, WITHOUT LIMITATION ATTORNEY'S FEES) FOR INJURY TO OR DEATH OF ANY PERSON OR FOR DAMAGE TO OR DESTRUCTION OF ANY THIRD PARTY PROPERTY RESULTING DIRECTLY FROM ANY AND ALL ACTS OR OMISSIONS OF Crazy8 Ministries AND ANY SUB Crazy8 Ministries OR ANYONE EMPLOYED BY OR AFFILIATED WITH ANY OF THEM OR ANYONE FOR WHOSE ACTS ANY OF THEM MAY BE LIABLE, PROVIDED THAT, FOR PURPOSES OF THIS PARAGRAPH, THE TERM "THIRD PARTY" SHALL INCLUDE CONTRACTOR'S OFFICERS, AGENTS, SUBCONTRACTORS, AND EMPLOYEES.**

**THE Crazy8 Ministries SHALL ALSO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE COUNTY FROM ALL DAMAGES, EXPENSES, SUITS, ACTIONS AND CLAIMS OF EVERY KIND AND CHARACTER WHATSOEVER WHICH THE COUNTY MAY SUFFER DIRECTLY DUE TO ANY BANKRUPTCY, STATE OR FEDERAL TAX**

LEVIES OR LIENS, OR OTHER SIMILAR LEGAL PROCEEDINGS AFFECTING THE CONTRACTOR, IN WHICH THE COUNTY MAY BECOME IN ANY WAY INVOLVED, WHETHER RELATED TO THE AMENDED AGREEMENT AND/OR CONTRACTOR'S PERFORMANCE OR NON-PERFORMANCE UNDER THIS AMENDED AGREEMENT.

IF A RESTRAINING ORDER OR TEMPORARY INJUNCTION IS GRANTED DUE TO ANY ACT, ERROR, OR OMISSION COMMITTED BY THE Crazy8 Ministries OR ANOTHER ENTITY OVER WHICH THE Crazy8 Ministries EXERCISES CONTROL, Crazy8 Ministries SHALL MAKE EVERY EFFORT, INCLUDING BUT NOT LIMITED TO SECURING A SATISFACTORY BOND, TO OBTAIN THE SUSPENSION OF ANY SUCH RESTRAINING ORDER OR TEMPORARY INJUNCTION. COUNTY RESERVES THE RIGHT, AT ITS OWN EXPENSE, TO BE INDEPENDENTLY REPRESENTED BY COUNSEL OF ITS OWN CHOICE IN CONNECTION WITH ANY SUCH SUIT OR PROCEEDING.

18. The exclusive venue for any action under or related to this Beneficiary Agreement is in state district courts in Johnson County, Texas or the Federal District Courts in Dallas, Texas.

19. This instrument constitutes the entire agreement between the parties and supersedes any and all agreements previously entered into by these same parties pertaining to the activities covered by this agreement

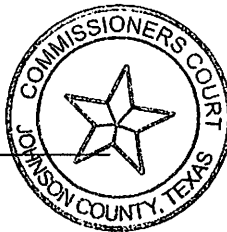
EFFECTIVE DATE: The 12<sup>th</sup> day of September, 2022.

Johnson County

By: Roger Harmon  
Roger Harmon  
Johnson County Judge

ATTEST:

By: Becky Ivey  
Becky Ivey  
Johnson County Clerk



THE Crazy8 Ministries

By: Lisa L. Schwarz  
Lisa L. Schwarz  
Chief Executive Officer

## EXHIBIT A

Crazy8 Ministries is a ministry compelled by the love of Christ to reach out and come alongside others and bring wholeness into the body, soul, and spirit; healing for yesterday, help in today, victory in tomorrow. Attacking poverty one person at a time. Our objectives are to impact our community by attacking suburban poverty barriers that keep individuals and families from thriving in society. We do this by offering two main services which are, counseling and housing. In our housing program, each resident has an Individual Spiritual Program (ISP) that is established for the purpose of measuring their progress. The ISP has 8 different objectives specific to the poverty barriers that each resident is to set goals within every month. Every resident sets their own goals based on what accomplishments they want to achieve over two years as well as what their own personal barriers are. The program is designed with parameters that guide every resident, but it is also flexible in that it allows each resident to choose their own goals. The ISP is primarily choice based.

Due to COVID-19, our funding has significantly dropped (about 47%), and our resale shop has been closed which makes up for about \$600-1000/week of our income. We also lost the income of 6 fundraisers that we were unable to have in 2020 or 2021. These fundraisers combined would typically have accounted for about \$60-\$75K. Internally, all except one of our residents who were working lost their jobs as well as childcare services. This has increased our expenses greatly. We have since experienced the hardships of ALL the residents and children having to quarantine any time anyone on campus has been exposed. This has strongly impacted the success of our residents and their abilities to hit their personal goals. For that purpose, we have had to extend the time of stay for most of them. That said, our housing services (as well as our counseling) have greatly increased since 2020. To be specific, in 2020, we were housing 45 residents. Today, we are the home of 67 residents. Needless to say, COVID and its continual effect on our society has put a high demand on our housing services.

The ARPA funding will allow us to do two things. First, we have a single wide that needs to be renovated and this funding will be used to complete that project. The completion of this project will provide housing for 2-5 additional residents. Second, we have a 2,000sq ft metal building that needs to be renovated into a connections center. Because of our growth, we are unable to provide a place where all the residents can come together for meals, trainings, holidays, etc. The renovation of this building will help us cultivate more community among the residents as well as provide space for more training/education opportunities.