Agenda Item #: **3I-1**

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date:	**November 10, 2026**	**[X] Consent** **[ ] Ordinance**	**[ ] Regular** **[ ] Public Hearing**
Department:	**Housing and Economic Development**		

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve:

A) a Budget Transfer in the amount of $400,000 in the Housing and Economic Sustainability Fund to set up transfers to allocate funds for completion of the design phase of the Canal Point Water Main improvements (Project) located within Canal Point; and

B) a Budget Amendment in the amount of $400,000 in the Water Utilities Department Improvement Fund to recognize the transfer from the Housing and Economic Sustainability Fund and to appropriate those funds to the project.

Summary: On July 7, 2026, the Board of County Commissioners (BCC) approved an allocation of Community Development Block Grant (CDBG) funds under Fiscal Year 2026-2027 for capital improvement projects to include $400,000 to complete the design phase deliverables for the Canal Point Water Main improvements by 12/31/2027 located along US-441 in Canal Point. A Memorandum of Understanding (MOU) between Palm Beach County Water Utilities Department (WUD) and the Department of Housing and Economic Development (HED) was executed and effective as of October 1, 2026, to complete the Project deliverables. An interdepartmental budget transfer will be established to reimburse WUD for eligible project costs. The budget transfer and amendment are necessary to appropriate the required funds. **These are CDBG funds and require no local match.** District 6 (TJC)

Background and Justification: Palm Beach County receives an annual allocation of CDBG grant funds from the U.S. Department of Housing and Urban Development. The CDBG program works to provide decent affordable housing, community facilities and services and job creation through expansion of businesses. The MOU is effective on October 1, 2026, and provides for WUD and HED to participate in the CDBG program, as the implementing Palm Beach County departments for this project.

Attachment(s):
1. Budget Transfer
2. Budget Amendment
3. MOU with HED and WUD for the Canal Point Water Main Improvements project

Recommended By: _____ 10.6.26
Department Director — **Date**

Approved By: _____ 10/22/2026
Deputy County Administrator — **Date**

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2027	2028	2029	2030	2031
Capital Expenditures					
Operating Costs	$400,000				
External Revenues	($400,000)				
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	0				

# ADDITIONAL FTE POSITIONS (Cumulative)					

Is Item Included In Current Budget? **Yes** X **No** ____
Does this Item include the use of Federal funds? **Yes** X **No** ____
Does this Item include the use of State funds? **Yes** ____ **No** X

Budget Account No.:

Fund 1101 Dept 820 Unit 1431 Object 9211 Program Code/Period N/A/GY26

B. Recommended Sources of Funds/Summary of Fiscal Impact:

Approval of this agenda item will appropriate the budget in CDBG funds to reimburse WUD via interdepartmental transfer for the Canal Point Water Main improvements project for $400,000.

C. Departmental Fiscal Review:

Valerie Alleyne, Division Director III
Finance and Administrative Services, HED

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development and Control Comments:

10/9/26
OFMB 10/8 VJ 10/9 EJW 10.9.26

10/9/26
Contract Development and Control ZG 10.9.26

B. Legal Sufficiency:

Assistant County Attorney

C. Other Department Review:

Department Director

(THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT)

27-0076

ATTACHMENT 1

BOARD OF COUNTY COMMISSIONERS
PALM BEACH COUNTY, FLORIDA
EXPENDITURE BUDGET TRANSFER

BGEX 143 092226*2062

FUND 1101 - Housing and Economic Sustainability

ACCOUNT NUMBER	ACCOUNT NAME	UNIT NAME	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED as of 09/22/2026	REMAINING BALANCE
EXPENDITURES									
1101-143-1431-8101	Contributions Othr Govtl Agncy	CDBG	1,902,854	1,902,854	0	400,000	1,502,854	0	1,502,854
1101-820-1431-9211	Tr To Capital Imprv Fd 4011	CDBG	0	0	400,000	0	400,000	0	400,000
	Total Expenditures				**400,000**	**400,000**			

SIGNATURES **DATES**

Initiating Department/Division — 9/22/2026

Administration/Budget Department Approval — 10/9/26

OFMB Department - Posted

BY BOARD OF COUNTY COMMISSIONERS

At Meeting of: 11/10/2026

Deputy Clerk to the
Board of County Commissioners

Updated by OFMB 01/08/2025

ATTACHMENT 2

27-0077

BOARD OF COUNTY COMMISSIONERS
PALM BEACH COUNTY, FLORIDA
BUDGET AMENDMENT

BGRV 091826*584

BGEX 091826*2033

FUND 4011 Capital Improvement Fund

ACCOUNT NUMBER	ACCOUNT NAME	UNIT NAME	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED as of 09/18/2026	REMAINING BALANCE
REVENUES									
4011-800-4211-8015	Tr Fr HES Fd. 1101	Capital Improvement Revenues	0	0	400,000	0	400,000		
	Total Fund Revenues		**596,368,344**	**596,368,344**	**400,000**	**0**	**596,768,344**		
EXPENDITURES									
4011-721-W038-6543	Water Transmission Mains	Glades Region Water Distribution	20,913,412	20,913,412	400,000	0	21,313,412	0	21,313,412
	Total Fund Expenditures		**596,368,344**	**596,368,344**	**400,000**	**0**	**596,768,344**		

SIGNATURES **DATES**

Tracy Foreman 18-Sept-26
Initiating Department/Division

10/9/2026
Administration/Budget Department Approval

OFMB Department - Posted

BY BOARD OF COUNTY COMMISSIONERS

At Meeting of: 10-Nov-26

Deputy Clerk to the Board of County Commissioners

Updated by OFMB 01/08/2025

MEMORANDUM OF UNDERSTANDING

DEPARTMENT OF HOUSING & ECONOMIC DEVELOPMENT
AND
PALM BEACH COUNTY WATER UTILITIES DEPARTMENT

CANAL POINT WATER MAIN EXTENSION

THIS IS A MEMORANDUM OF UNDERSTANDING (MOU), with an effective date of October 1, 2026, by and between **Palm Beach County department of Housing & Economic Development** ("HED"), and **Palm Beach County Water Utilities Department** ("WUD"), to cooperatively design the Canal Point Water Main Extension, which will provide new water main lines to approximately sixty (60) residences along US 441 in Canal Point ("Project").

WHEREAS, HED has secured **$400,000**, of Federal Community Development Block Grant (CDBG) funds provided by the United States Department of Housing and Urban Development (HUD) to fund capital improvement projects within Palm Beach County; and

WHEREAS, the Board of County Commissioners (BCC), on July 7, 2026 through Agenda Item 6F-4, R2026-0845 approved **$400,000** in CDBG funds to be allocated to the Project and the funding amount shall be directly transferred to WUD, via inter-departmental budget transfer to allow WUD to proceed with the Project deliverables; and

WHEREAS, WUD has assumed the responsibility for the implementation of the Project deliverables and must meet federal, state and local statutes, regulations and all applicable requirements including, but not limited to: 2CFR Part 200, Section 3, Davis-Bacon and Related Acts (DBRA) concerning payment of prevailing wage rates, the Build America Buy America Act (BABA), to be incorporated into the design phase and implemented during construction; and

WHEREAS, the Project has been determined to be an activity eligible for CDBG funds per 24 CFR 570.201(c) – Public Facilities and Improvements, that will replace corroded water main pipes within the Project designated Countywide Community Revitalization Team Area (CCRT) and provide new dependable operating water system and meet a CDBG National Objective benefitting low and moderate income persons on an area-wide basis per 24 CFR 570.208(a)(1)(i); and

WHEREAS, WUD shall procure a professional consultant per the Consultants' Competitive Negotiation Act (CCNA) Florida Statute §287.055, to provide Project Scope of Work to include, but not be limited to: surveying, substance utility exploration, geotechnical exploration, design, permitting, preparation of construction plans and bid assistance. The consultant services shall be completed to allow the project construction phases to proceed for replacement of approximately 9000 LF of degraded asbestos cement water distribution pipes which have exceeded their useful lifespan.

WHEREAS, HUD requires that an inter-departmental agreement, provided as this MOU, be executed between HED and WUD, as departments implementing a federally-funded project; and

WHEREAS, HED and WUD wish to enter into this MOU, as said Agreement in order to establish the terms and conditions for undertaking the Project.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained, it is agreed that HED and WUD shall perform the responsibilities of this MOU and as outlined in **Exhibit "A" – Project Schedule**, **Exhibit "B" – Design Cost Estimate**, **Exhibit "C" - Project Report** and **Exhibit "D" – Project Location Map**, included herein and made a part hereof, as follows:

1. HED Obligations:

a. HED's Planning Division shall complete an Environmental Review Report (ERR) in accordance with 24 CFR Part 58 and shall transmit any resulting requirements to WUD.

b. Provide WUD with the CDBG expenditure deadlines and provide the inter-departmental budget transfer from HED, directly to WUD as outlined in Exhibit "A".

c. Shall provide up to **$400,000** in CDBG funds for payment of eligible consultant design and/or engineering expenses associated with the Project, via an inter-department budget transfer. **Final payment shall be made to consultant, after approval by HED of project close-out documentation and all requirements have also been met.**

d. Should the amount of eligible costs exceed the **$400,000** to be funded by HED through this MOU, then WUD shall fund all amounts in excess, to complete the design phase of the Project.

e. Shall provide WUD with the Federal requirements applicable to consultant design and/ or engineering contracts as they relate to the use of CDBG funds.

f. Shall provide WUD with forms to be completed by contractors and subcontractors as they relate to CDBG program regulations, and provide WUD with the "Project Report" form, contained herein as **Exhibit "C"**, and any other forms to collect information needed by HED to meet its reporting obligations to HUD.

g. Shall update WUD with any HUD requirements associated with the use of CDBG funds that arise during the design phase of the Project.

h. Shall review and approve any proposed staff charges before reimbursement is approved to ensure HUD compliance.

i. Shall monitor the progress of project implementation and funds expenditure through contact with WUD and receipt or reports from WUD, as the project oversight and funded department to expended the CDBG funds and complete the Project's design phase.

2. WUD Obligations:

a. Shall assign qualified staff to the oversight and implementation of the Project to ensure the timely expenditure of CDBG funds and completion of scope defined herein. Note the following:

   i. Staff costs may be allowable for project-specific oversight and management activities, even when a consultant performs the engineering and design work. However, routine departmental salaries and duplicative work are not eligible.
   ii. Examples of staff activities that may be eligible include:
      - Reviewing and coordinating the consultant's survey, engineering, permitting, and design work.
      - Project management and technical oversight related specifically to the CDBG-funded project.
      - Reviewing plans and specifications.
      - Participating in bid review and construction administration activities.
      - Inspecting work or providing construction oversight related to the specific capital improvement.

b. Shall perform activities in this MOU as required and in compliance with all Federal laws and regulations under Subpart K of 24 CFR Part 570, except that:

   i. WUD does not assume HED's environmental responsibilities described at §570.604; and
   ii. WUD shall utilize a CCNA consultant to provide professional design and engineering services required to complete all Project deliverables; and
   iii. WUD shall include in its Bid documents and Contracts, any requirements based on the findings of the ERR review process under the provisions of 24 CFR part 58.

c. Shall upon completion of the design and engineering phase, proceed to complete the construction documents, bid process and competitively procure a Contractor to provide required construction services.

d. Shall submit necessary documents as they relate to CDBG requirements and collect Project information to enable processing of CDBG funds disbursements and allow HED to meet its reporting obligations to HUD. All forms and reports shall be transmitted to HED Finance Division. WUD shall be responsible to transmit to HED the following, but not limited to as it relates to the project:

   i. Copies of the executed Consultant contract(s);
   ii. Copy of Design and Engineering Scopes of Work to be implemented
   iii. Project Reports for duration of Design/Engineering phase;
   iv. Project schedule and updates thereto;
   v. Any change orders to said contracts;
   vi. Consultant pay applications and project expenses charged to the Project account, including WUD staff charges, if applicable at the time they are submitted to Palm Beach County Finance Department;

vii. Documentation and requests from WUD Finance division with Account numbers, etc required to be submitted to HED Finance division for approval of eligible expenses;
viii. Collect project information and provide reports to HED to meet its reporting obligations to HUD;
ix. Documentation to show compliance with Federal Requirements.

e. Provide HED with documentation required for eligible expenses (i.e. AIA Consultant documents or similar forms, invoices, receipts, etc) as outlined in Exhibit "B" – Project Cost Estimate.

f. Maintain written records of work performed, and expenditures incurred in connection with this MOU, which records shall be maintained for five (5) years after expiration of this MOU.

g. Shall provide final payments to the consultant, upon receipt of all necessary Project closeout documentation for the design phase from the consultant and HED has provided written authorization to WUD, indicating receipt/approval of the close-out documents.

h. Shall provide written certification from engineer and/or consultant, confirming the Project scope of work has met the required specifications and provide the projected dates for completion of construction documents, bidding and construction completion

i. Shall provide HED, all necessary documentation to meet project close-out requirements and HUD reporting per the close-out list provided by HED.

j. Shall be in Compliance with 2 CFR Part 200 Uniform Administrative Requirements; County Cost Principles and Audit Requirements for Federal Awards, as may be amended.

3. WUD acknowledges that HED shall conduct an Environmental Review for the Project to determine if there maybe any adverse environmental impacts resulting from the proposed construction. Should adverse environmental impacts be discovered, applicable mitigation measures must be incorporated into Project implementation.

4. Upon expiration of this MOU, all unexpended CDBG funds or any accounts receivable attributable to the use of CDBG funds, shall be returned to HED. The CDBG funds, made available through this MOU in excess of $25,000 must either be used to meet one of the national objectives in Federal Regulations 24 CFR 570.208 for a period of five (5) years after expiration of this MOU.

5. This MOU may be amended through written request from WUD and addressed to HED Director for consideration.

6. This MOU may be suspended or terminated in accordance with 2 CFR 200.350 if WUD fails to materially comply with any term hereof, and this MOU may be terminated for convenience in accordance with 2 CFR 200.339.

7. **This MOU shall expire on 12/31/2027**, or such time when HED has received and approved the final reports and expenditure documents from WUD and HED has provided WUD with written confirmation that all requirements have been satisfied.

IN WITNESS WHEREOF, the Palm Beach County Departments HED, and WUD, have caused this Memorandum of Understanding to be executed, as an inter-department Agreement on the dates set forth herein:

Palm Beach County Department of Housing & Economic Development

Jonathan Brown

Jonathan B. Brown,
Deputy County Administrator

8/17/2026
Date

Palm Beach County
Water Utilities Department

AB Ali Bayat

Ali Bayat, P.E., PMP
Director

8/12/26
Date

EXHIBIT "A"

PROJECT SCHEDULE

CANAL POINT WATER MAIN EXTENSION

PROJECT PHASE	ACTIVITY TYPE	ACTIVITY COMPLETION
HED CDBG Funds to WUD	Inter-department Budget Transfer of $400,000 in CDBG funds to WUD	October 2026
Design Phase	WUD to receive BCC Approval to utilize Consultant Services	December 2026
Final Design Completion	Expend 100% CDBG Allocation	11/30/2027
Project SOW Close-out	WUD to provide HED with Close-out Documentation	12/31/2027
TOTAL HED CDBG FY2026-2027 ALLOCATION: $400,000		

Note: Exhibit "A" is outlined to identify funding sources and expenditure timelines only. Actual eligible reimbursement expenses are to be determined and provided on an actual costs basis. The total CDBG funding provided by HED shall not exceed **$400,000**.

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EXHIBIT "B"

DESIGN COST ESTIMATE

Task No.	Design	Anticipated Schedule	CDBG Funds Design
1	Solicitation	April 2026 - September 2026	$0.00
2	BCC Approval Consultant Services Authorization for Design and Permitting	November 2026	$0.00
3	Notice to Proceed	November 2026	$0.00
4	Final Design Documents	June 2027	$400,000
		Total	**$400,000**

EXHIBIT "C"

PROJECT REPORT

Reporting Period:	**Month**		**Year**	
Subrecipient/Participant:				
Project Name & Location:				
Agreement/ MOU & Date				
Revisions/ Amendments & Date				

A. Agreement/ MOU Expenditure Requirements (Cumulative)		
	$0.00	
50% benchmark	$0.00	
100% benchmark	$0.00	*Total DHED Funding Amount*

B. Reimbursement/Disbursement/Payment/Draw Requests

1. Enter information in the BLUE cells only.
2. In Column C, enter the projected amount to be requested. Projections should meet the benchmarks of the County agreement.
3. In Column D, enter the actual amount that was requested.

A	B	C	D	E	F
Reporting Period	**Cumulative Requirement per Agreement**	**Amount Requested per month (Projected)**	**Amount Requested per month (Actual)**	**Cumulative Reimb Request (Actual)**	**Funding Balance Remaining**
Oct-26				0.00	0.00
Nov-26				0.00	0.00
Dec-26				0.00	0.00
Jan-27				0.00	0.00
Feb-27				0.00	0.00
Mar-27				0.00	0.00
Apr-27				0.00	0.00
May-27				0.00	0.00
Jun-27				0.00	0.00
Jul-27				0.00	0.00
Aug-27				0.00	0.00
Sep-27				0.00	0.00
Oct-27				0.00	0.00
Nov-27				0.00	0.00
Dec-27				0.00	0.00
Jan-28				0.00	0.00
TOTAL FUNDING		0.00	0.00		
	difference to total funding	$0.00	$0.00		

EXHIBIT "C"

PROJECT REPORT (Cont'd)

C. Amounts Budgeted/ Expended to date:				
Enter all funding sources for the project including non-DHED funds.				
Funding Source	**$ Budgeted**	**$ Expended**	**Percentage Expended**	**Requested for Reimbursement**
DHED Funds (Specify Program)	$0.00	$0.00		$0.00
Other Funds (Specify)				
Other Funds (Specify)				
Other Funds (Specify)				
Total	**$0.00**	**$0.00**		

D. Describe any changes in funding amounts or sources of funds.

E. Project Requirements				
Enter the projected and actual dates for each Benchmark. For benchmarks with a "Required Date", enter Y or N in the "Benchmark Met" column.				
Benchmark	**Required Date**	**Projected Date**	**Actual Date**	**Benchmark Met Y/N**
Benchmark 1				
Benchmark 2				
Benchmark 3				
Benchmark 4				

F. Describe any project planning/ schedule/ design/ procurement/ construction during this reporting period.

G. Report prepared by:		
Name:		**Signature:**
Phone:		
Date:		

Send Report to: Project Coordinator, CIREIS Division
Housing & Economic Development
100 Australian Ave, 5th Floor
West Palm Beach, FL 33406

EXHIBIT "D"

PROJECT LOCATION MAP

