

AGREEMENT

THIS AGREEMENT is entered into as of April 1, 2008, between the COUNTY OF TULARE, referred to as COUNTY, and Central Valley Christian Housing Development, Inc., referred to as CONSULTANT.

WITNESSETH:

A. WHEREAS, the COUNTY is currently applying to the State of California Department of Housing and Community Development (HCD) for a Community Development Block Grant, referred to as CDBG, to finance the Tulare County Housing Rehabilitation Program, referred to as PROGRAM, in which approximately seven (7) income eligible owner-occupied homes in the Redevelopment Project Areas of Earlimart, Goshen, Ivanhoe, and Richgrove will receive housing rehabilitation assistance; and

B. WHEREAS, the Tulare County Redevelopment Agency, referred to as AGENCY, has committed Low-Moderate Income Housing funds to assist in carrying out the grant activities; and

C. WHEREAS, the COUNTY, under the provisions of HCD procurement requirements, advertised a Request for Proposals for the above referenced project; and

D. WHEREAS, the COUNTY wishes to enter into a professional services agreement with the CONSULTANT for purposes of implementing the PROGRAM mentioned above utilizing AGENCY and CDBG grant funds.

ACCORDINGLY, IT IS AGREED:

1. TERM: This Agreement shall become effective upon the award of the CDBG grant to the COUNTY and shall expire by the expiration date of the State Standard Agreement, referred to as STANDARD AGREEMENT, with the COUNTY for the project or the latest amendment of the expiration date, unless otherwise terminated as provided in this Agreement. The CDBG Standard Agreement shall be incorporated into this Agreement and made an attachment hereto. CONSULTANT shall be provided a copy of the Standard Agreement when it becomes available.

2. SERVICES: CONSULTANT will operate the PROGRAM in the Redevelopment Project Areas of Earlimart, Goshen, Ivanhoe and Richgrove, in accordance with the SCOPE OF WORK, attached as Exhibit A.

3. PAYMENT FOR SERVICES: The COUNTY shall pay CONSULTANT a sum not to exceed \$795,000 for services provided pursuant to this Agreement subject to the following conditions:

a. Housing Rehabilitation Program

i. \$613,575 for housing rehabilitation construction (\$334,125 in CDBG funds and \$279,450 in AGENCY funds) and \$143,925 (\$78,375 in CDBG funds and \$65,550 in AGENCY funds) for loan packaging/construction monitoring or related activity delivery. These funds shall be disbursed by CONSULTANT on behalf of the COUNTY, are pass-through funds, and not considered compensation to the CONSULTANT.

TULARE COUNTY AGREEMENT NO. _____

- ii. COUNTY shall pay to CONSULTANT, for administrative services provided under this Agreement, a sum not to exceed \$37,500 in CDBG funds.
- b. General Conditions
 - i. The CDBG funds available for this program are dependent upon the estimated costs of the other activities approved for in the 2008 CDBG Standard Agreement. Any change in the project budgets of any activity will reduce or increase the amount of funds available to the Housing Rehabilitation Program.
 - ii. All changes in the Housing Rehabilitation Program budgets will be subject to the constraints published in the CDBG Notice of Funding Availability associated with this Agreement, or the latest amendment thereto. In such cases, CONSULTANT shall be entitled to receive compensation for Activity Delivery and General Administration expenses according to the applicable rates.
 - iii. The compensation to be paid to CONSULTANT under this Agreement pursuant to the budget set forth above and in the SCOPE OF WORK will be withheld, reduced or eliminated for any inability to provide services, whether such an inability is due to CONSULTANT activities or other activities or circumstances beyond the control of CONSULTANT.
 - iv. COUNTY must approve all budget changes in writing prior to any budget adjustment or amendment with the exception of increases in funding from CDBG Program Income.
 - v. By the fifteenth day of the second month of the project and monthly thereafter, CONSULTANT shall submit monthly invoice statements stating the services provided and the charges of the previous month.
 - vi. All invoices will be submitted to the Community Development and Redevelopment Division for approval prior to payment by the Auditor's Office. Invoices shall be in the form and contain the information requested by the COUNTY and shall be subject to approval by the COUNTY. COUNTY will endeavor to make payments within thirty (30) days of receipt of approved invoice. COUNTY will endeavor to notify the CONSULTANT of any objections, questions, or complaints regarding any particular invoice, or if the COUNTY discovers an invoice that has an error, within fifteen (15) days of receipt of such invoice. If the COUNTY determines that any amounts were improperly billed and/or paid the CONSULTANT or CONSULTANT was improperly underpaid, adjustments by such amounts may be made in the payment on the current or a later invoice. CONSULTANT shall be entitled to an explanation of any such adjustments upon request. No interest or penalties shall accrue for late payments.
- c. CONSULTANT shall submit to the Community Development and Redevelopment Division of the Tulare County Resource Management Agency, monthly reports on the progress of the PROGRAM. Progress in the performance of the contract shall be measured in relation to the terms and conditions specified in the Standard Agreement and Tulare County Program Guidelines, attached as Exhibit B. The County Board of Supervisors may, from time to time and in its sole discretion, amend the Tulare County Program Guidelines. The most currently adopted Guidelines shall be used in implementing the PROGRAM. The COUNTY shall provide copies of any amendments to said Guidelines.
- d. Within forty-five (45) days after completion of the entire PROGRAM, CONSULTANT shall provide a written report and a final invoice to the COUNTY with a summary of CONSULTANT services and work performed under this Agreement and a

summary of charges as a result of this Agreement. Any claim for payment or adjusted compensation not invoiced by the CONSULTANT by this date shall be considered waived and shall not be recompensed. Within thirty (30) days of COUNTY approval of the final invoice and report, the COUNTY will endeavor to pay CONSULTANT the remaining amount owed CONSULTANT as supported by bills and receipts or CONSULTANT shall repay the COUNTY any overpayment paid to CONSULTANT pursuant to this Agreement. However, in no event shall the COUNTY be obligated to pay CONSULTANT more than a total of \$795,000 pursuant to this Agreement. If any of the work or activities provided under this Agreement shall be determined to be ineligible for payment under the guidelines of CDBG, then CONSULTANT shall reimburse the COUNTY the amounts paid for such ineligible services within thirty days (30) of notification by the COUNTY.

4. COMPLIANCE WITH LAW: CONSULTANT shall provide services in accordance with applicable Federal, State, and local laws, regulations and directives. With respect to CONSULTANT'S employees, CONSULTANT shall comply with all laws and regulations pertaining to wages and hours, State and Federal income tax, unemployment insurance, Social Security, disability insurance, workers' compensation insurance, and discrimination in employment.

5. RECORDS AND AUDIT: CONSULTANT shall maintain complete and accurate records with respect to the services rendered and the costs incurred under this Agreement. In addition, CONSULTANT shall maintain complete and accurate records with respect to any payments to employees or subcontractors. All such records shall be prepared in accordance with generally accepted accounting procedures, shall be clearly identified, and shall be kept readily accessible. Upon request, CONSULTANT shall make such records available within Tulare County to the Auditor of Tulare County and to his agents and representatives, for the purpose of auditing and/or copying such records for a period of five (5) years from the date of final payment under this Agreement.

6. MONITORING: COUNTY shall monitor the CONSULTANT during the term of this Agreement for compliance with any or all applicable requirements.

7. INSURANCE: Prior to approval of this Agreement by COUNTY, CONSULTANT shall file with the Clerk of the Board of Supervisors evidence of the required insurance as set forth in the Insurance Requirements, attached as Exhibit C.

8. INDEPENDENT CONSULTANT STATUS:

a. CONSULTANT will perform all services required under this Agreement as an independent contractor. Nothing in this Agreement shall be construed to constitute the CONSULTANT or any of its agents, employees or officers as an agent, employee or officer of COUNTY.

b. CONSULTANT agrees to advise everyone it assigns or hires to perform any duty under this agreement that they are not employees of COUNTY. Subject to any performance criteria contained in this Agreement, CONSULTANT shall be solely responsible for determining the means and methods of performing the specified services and COUNTY shall have no right to control or exercise any supervision over CONSULTANT as to how the services will be performed. As CONSULTANT is not COUNTY'S employee, CONSULTANT is responsible for paying all required State and Federal taxes. In particular, COUNTY will not:

- i. Withhold FICA (Social Security) from CONSULTANT'S payments.
 - ii. Make State or Federal unemployment insurance contributions on CONSULTANT'S behalf.
 - iii. Withhold State or Federal income tax from payments to CONSULTANT.
 - iv. Make disability insurance contributions on behalf of CONSULTANT.
 - v. Obtain unemployment compensation insurance on behalf of CONSULTANT.
- c. Notwithstanding this independent contractor relationship, COUNTY shall have the right to monitor and evaluate the performance of CONSULTANT to assure compliance with this Agreement.

9. INDEMNIFICATION: CONSULTANT shall hold harmless, defend and indemnify COUNTY, its agents, officers and employees from and against any liability, claims, actions, costs, damages or losses of any kind, including death or injury to any person and/or damage to property, including COUNTY property, arising from, or in connection with, the performance by CONSULTANT or its agents, officers and employees under this Agreement. This indemnification specifically includes any claims that may be made against COUNTY by any taxing authority asserting that an employer-employee relationship exists by reason of this Agreement, and any claims made against COUNTY alleging civil rights violations by CONSULTANT under Government Code sections 12920 et seq. (California Fair Employment and Housing Act), and any fines or penalties imposed on COUNTY for CONSULTANT'S failure to provide form DE-542, when applicable. This indemnification obligation shall continue beyond the term of this Agreement as to any acts or omissions occurring under this Agreement or any extension of this Agreement.

10. CONFLICT OF INTEREST:

- a. CONSULTANT agrees at all times in performance of this Agreement to comply with the law of the State of California regarding conflicts of interests or appearance of conflicts of interests, including, but not limited to Government Code Section 1090 et seq., and the Political Reform Act, Government Code Section 81000 et seq. and regulations promulgated pursuant thereto by the California Fair Political Practices Commission. The statutes, regulations and laws previously referenced include, but are not limited to, prohibitions against any public officer or employee, including CONSULTANT for this purpose, from the making of any decision on behalf of COUNTY in which such officer, employee or consultant has a direct or indirect financial interest. A violation can occur if the public officer, employee or consultant participates in or influences any COUNTY decision which has the potential to confer any pecuniary benefit on CONSULTANT or any business firm in which CONSULTANT has an interest, with certain narrow exceptions.
- b. CONSULTANT agrees that if any facts come to its attention which raises any questions as to the applicability of conflicts of interest laws, it will immediately inform the COUNTY designated representative and provide all information needed for resolution of this question.

11. TERMINATION:

- a. Without Cause: COUNTY will have the right to terminate this Agreement without cause by giving thirty (30) days prior written notice of intention to terminate pursuant to this provision, specifying the date of termination. COUNTY will pay to the CONSULTANT the compensation earned for work performed and not previously paid for to the date of

termination. COUNTY will not pay lost anticipated profits or other economic loss. The payment of such compensation is subject to the restrictions on payment of compensation otherwise provided in this Agreement, and is conditioned upon receipt from CONSULTANT of any and all plans, specifications and estimates, and other documents prepared by CONSULTANT in accordance with this Agreement. No sanctions will be imposed.

b. With Cause: This Agreement may be terminated by either party should the other party:

- i. Be adjudged a bankrupt; or
- ii. Become insolvent or have a receiver appointed; or
- iii. Make a general assignment for the benefit of creditors; or
- iv. Suffer any judgment which remains unsatisfied for thirty (30) days; and which would substantively impair the ability of the judgment debtor to perform under this Agreement; or
- v. Materially breach this Agreement. Material breach includes but is not limited to CONSULTANT failing to perform obligations under this Agreement, and CONSULTANT failing to perform obligations in accordance with the project time schedule set forth in Section 12, "Liquidated Damages".

For any of the occurrences except item v, termination may be effected upon written notice by the terminating party specifying the date of the termination. Upon a material breach, the Agreement may be terminated following the failure of the defaulting party to remedy the breach to the satisfaction of the non-defaulting party within five (5) days of written notice specifying the breach. If the breach is not remedied within that five (5) day period, the non-defaulting party may terminate the agreement on further written notice specifying the date of termination. If the nature of the breach is such that it cannot be cured within a five (5) day period, the defaulting party may submit a written proposal within that period which sets forth a specific means to resolve the default. If the non-defaulting party consents to that proposal in writing, which consent shall not be unreasonably withheld, the defaulting party shall immediately embark on its plan to cure. If the default is not cured within the time agreed, the non-defaulting party may terminate upon written notice specifying the date of termination. COUNTY will pay to the CONSULTANT the compensation earned for work performed and not previously paid for to the date of termination. COUNTY will not pay lost anticipated profits or other economic loss, nor will the COUNTY pay compensation or make reimbursement to cure a breach arising out of or resulting from such termination. If the expense of finishing the CONSULTANT'S scope of work exceeds the unpaid balance of the agreement, the CONSULTANT must pay the difference to the COUNTY in addition to any liquidated damages set forth in Section 12, "Liquidated Damages," owed by CONSULTANT forth days of delayed project completion caused by CONSULTANT. The payment of such compensation is subject to the restrictions on payment of compensation otherwise provided in this Agreement, and is conditioned upon receipt from CONSULTANT of any and all plans, specifications and estimates, and other documents prepared by CONSULTANT by the date of termination in accordance with this Agreement. Sanctions taken will be possible rejection of future proposals based on specific causes of non performance.

c. Effects of Termination: Expiration or termination of this Agreement shall not terminate any obligations to indemnify, to maintain and make available any records

pertaining to the Agreement, to cooperate with any audit, to be subject to offset, or to make any reports of pre-termination contract activities. Where CONSULTANT'S services have been terminated by the COUNTY, said termination will not affect any rights of the COUNTY to recover damages against the CONSULTANT.

d. Suspension of Performance: Independent of any right to terminate this Agreement, the authorized representative of COUNTY for which CONSULTANT'S services are to be performed, may immediately suspend performance by CONSULTANT, in whole or in part, in response to health, safety or financial emergency, or a failure or refusal by CONSULTANT to comply with the provisions of this Agreement, until such time as the cause for suspension is resolved, or a notice of termination becomes effective.

12. LIQUIDATED DAMAGES. The parties agree that time is of the essence regarding completion of the project pursuant to this Agreement. If the project is not completed according to the time schedule listed in Exhibit A, the delay will constitute a breach of contract by CONSULTANT. Such breach will cause a hardship upon the COUNTY and there will be extreme difficulty and uncertainty in fixing the actual damages to COUNTY at the time of such breach. "Actual damages" from CONSULTANT'S breach of project completion date include, but are not limited to, monetary damages, COUNTY'S loss of good will or credibility with other parties, COUNTY contracts with, and future loss of funding to COUNTY. The parties hereby agree to reasonable liquidated damages based on the circumstances existing at the time this Agreement is entered into. As such, if CONSULTANT breaches the promise to complete the project in accordance with the schedule listed in Exhibit A, by failing to complete the project within the time frame promised, then CONSULTANT must pay the sum of \$1,000 per calendar day of delayed completion to COUNTY as reasonable liquidated damages. The parties do not consider these amounts to be penalties. The parties agree that the liquidated damages set forth in this Section do not include damages sustained by COUNTY as a result of COUNTY paying excess of the cost of this Agreement when COUNTY terminates pursuant to Section 11, "TERMINATION," and finishes the SCOPE OF WORK. If COUNTY terminates in accordance with Section 11, "TERMINATION," and finishes the SCOPE OF WORK, CONSULTANT will pay COUNTY the cost to complete the SCOPE OF WORK that exceeds the cost of this Agreement, in addition to any liquidated damages for delayed project completion set forth in this Section.

COUNTY will deduct liquidated damages determined by this Section from any retention or amount due to CONSULTANT pursuant to this Agreement, and will bill CONSULTANT for any liquidated damages in excess of retention or amounts due to CONSULTANT. CONSULTANT will pay COUNTY within thirty (30) days of receiving a bill for liquidated damages.

If COUNTY partially causes the delay of CONSULTANT'S completion of the project pursuant to this Agreement, the liquidated damages owed by CONSULTANT will not include days of delayed completion caused by COUNTY. The County Resource Management Agency Director may choose to grant CONSULTANT extensions of time for the number of days of delayed completion caused by COUNTY.

Liquidated damages will not be assessed against CONSULTANT when the delay in completion of the work is due to unforeseeable cause beyond the control and without the fault or

negligence of the CONSULTANT.

In the event this liquidated damages clause is not upheld, COUNTY may seek actual damages for delayed completion caused by CONSULTANT. Notwithstanding the breach of project completion date addressed in this Section, COUNTY may recover actual damages for any other breaches of this Agreement by CONSULTANT.

13. ENTIRE AGREEMENT REPRESENTED: This Agreement represents the entire agreement between CONSULTANT and COUNTY as to its subject matter and no prior oral or written understanding shall be of any force or effect. No part of this Agreement may be modified without the written consent of both parties.

14. HEADINGS: Section headings are provided for organizational purposes only and do not in any manner affect the scope, meaning or intent of the provisions under the headings.

15. NOTICES:

a. Except as may be otherwise required by law, any notice to be given shall be written and shall be either personally delivered, sent by facsimile transmission or sent by first class mail, postage prepaid and addressed as follows:

COUNTY:

William L. Hayter, Assistant Director
Resource Management Agency
5961 S. Mooney Blvd.
Visalia, CA 93277
Phone No.: (559) 733-6291
Fax No.: (559) 730-2653

With A Copy To:

Laurie Mercer, Division Manager
Grants, Housing & Project Development
Resource Management Agency
5961 S. Mooney Blvd.
Visalia, CA 93277
Phone No.: (559) 733-6291 ext. 4307
Fax No.: (559) 730-2591

CONSULTANT:

Robert Ekema
Central Valley Christian Housing Dev., Inc.
2222 W. Sunnyside Ave. #3
Phone No.: (559) 625-5770
Fax No.: (559) 625-3699

b. Notice personally delivered is effective when delivered. Notice sent by facsimile transmission is deemed to be received upon successful transmission. Notice sent by first class mail shall be deemed received on the fifth day after the date of mailing. Either party may change the above address by giving written notice pursuant to this paragraph.

16. CONSTRUCTION: This Agreement reflects the contributions of both parties and accordingly the provisions of Civil Code section 1654 shall not apply to address and interpret any uncertainty.

17. NO THIRD PARTY BENEFICIARIES INTENDED: Unless specifically set forth,

the parties to this Agreement do not intend to provide any other party with any benefit or enforceable legal or equitable right or remedy.

18. **GOVERNING LAW:** This Agreement shall be interpreted and governed under the laws of the State of California without reference to California conflicts of law principles. The parties agree that this contract is made in and shall be performed in Tulare County, California. CONSULTANT waives the removal provisions of California Code of Civil Procedure section 394.

19. **WAIVERS:** The failure of either party to insist on strict compliance with any provision of this Agreement shall not be considered a waiver of any right to do so, whether for that breach or any subsequent breach. The acceptance by either party of either performance or payment shall not be considered to be a waiver of any preceding breach of the Agreement by the other party.

20. **EXHIBITS AND RECITALS:** The Recitals and the Exhibits to this Agreement are fully incorporated into and are integral parts of this Agreement.

21. **CONFLICT WITH LAWS OR REGULATIONS/SEVERABILITY:** This Agreement is subject to all applicable laws and regulations. If any provision of this Agreement is found by any court or other legal authority, or is agreed by the parties, to be in conflict with any code or regulation governing its subject, the conflicting provision shall be considered null and void. If the effect of nullifying any conflicting provision is such that a material benefit of the Agreement to either party is lost, the Agreement may be terminated at the option of the affected party. In all other cases, the remainder of the Agreement shall continue in full force and effect.

22. **FURTHER ASSURANCES:** Each party will execute any additional documents and perform any further acts which may be reasonably required to affect the purposes of this Agreement.

23. **ASSURANCES OF NON-DISCRIMINATION:** CONSULTANT shall not discriminate in employment or in the provision of services on the basis of any characteristic or condition upon which discrimination is prohibited by state or federal law or regulation.

24. **ASSIGNMENT/SUBCONTRACTING:** Unless otherwise provided in this Agreement, COUNTY is relying on the personal skill, expertise, training, and experience of CONSULTANT and CONSULTANT'S employees and no part of this Agreement may be assigned or subcontracted by CONSULTANT without the prior written consent of COUNTY.

25. **DISPUTE RESOLUTION:** If a dispute arises out of or relating to this Agreement, or the breach thereof, and if said dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by non-binding mediation before resorting to litigation or some other dispute resolution procedure, unless the parties mutually agree otherwise. The mediator shall be mutually selected by the parties, but in case of disagreement, the mediator shall be selected by lot from among two nominations provided by each party. All costs and fees required by the mediator shall be split equally by the parties; otherwise each party shall bear its own costs of mediation. If mediation fails to resolve the dispute within thirty (30) days, either party may pursue litigation to resolve the dispute.

26. **UNEMPLOYMENT INSURANCE COMPLIANCE:** CONSULTANT acknowledges that this Agreement is subject to filing obligations pursuant to Unemployment Insurance Code

Section 1088.8. Accordingly, COUNTY has an obligation to file a report with the Employment Development Department, which report will include the CONSULTANT'S full name, social security number, address, the date this contract was executed, the total amount of the contract, the contract's expiration date or whether it is ongoing. CONSULTANT agrees to cooperate with COUNTY to make such information available and to complete DE Form 542. Failure to provide the required information may, at COUNTY'S option, prevent approval of this Agreement, or be grounds for termination by COUNTY.

27. GOALS: The CONSULTANT acknowledges that the Standard Agreement requires the COUNTY to meet certain goals and requirements. The CONSULTANT agrees to be bound by the same goals and requirements of the Standard Agreement, as is the COUNTY.

28. REVERSION OF ASSETS: Upon expiration of this Agreement, if CONSULTANT has any Program funds on hand, as well as any accounts receivable, attributable to CDBG funds, they must be transferred to the COUNTY. Any real property acquired with CDBG funds must also be transferred to the COUNTY upon expiration of this Agreement.

29. PROFESSIONAL MANNER: CONSULTANT shall provide the services contemplated by the Agreement in a professional manner and quality satisfactory to the County. In a dispute as to performance under this provision, the Director of the County Resource Management Agency shall make the final decision as to the acceptability of the services provided.

30. COUNTY PROPERTY: All finished or unfinished documents, data, studies, computer programs, methodical explanations, surveys, plans drawings, maps, models, photographs, and reports prepared by CONSULTANT under the Agreement shall be considered the property of the County. Upon the completion of the services to be performed or upon termination of the Agreement, these materials shall be turned over to the County, provided that in any case CONSULTANT may, at no additional expense to the County, make and retain copies thereof as it desires. CONSULTANT further agrees to keep those materials, which may not be public records under the laws of the State of California, confidential.

31. IMPROPER USE OF FUNDS: CONSULTANT shall hold harmless, defend and indemnify COUNTY from any liability, action or losses incurred by COUNTY as a result of CONSULTANT'S improper use of funds under this Agreement.

32. CLOSE-OUTS: CONSULTANT'S obligation to COUNTY shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to COUNTY), and determining the custodianship of records.

33. FUNDING CLAUSE: CONSULTANT acknowledges that the COUNTY is dependent upon certain Federal and State funding to pay for the housing rehabilitation program provided for in this Agreement. CONSULTANT acknowledges that the COUNTY has applied for CDBG funding, but the COUNTY has not received an award for this project at the time this Agreement is executed. If for any reason, the COUNTY is not awarded CDBG funding, this Agreement is null and void and the CONSULTANT is not entitled to any compensation or damages. If the COUNTY is awarded the CDBG funding from HCD to finance a Housing Rehabilitation Program, this Agreement will become effective. If such funding is discontinued or reduced, COUNTY may exercise its sole discretion to reduce the amount of housing rehabilitation funds or terminate the Agreement by giving the CONSULTANT 30 calendar days notice of the reduction or

termination.

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THE PARTIES, having read and considered the above provisions, indicate their agreement by their authorized signatures below.

COUNTY OF TULARE:

By _____
Chairman, Board of Supervisors
"County"

ATTEST:


Jean Rousseau
County Administrative Officer/
Clerk of the Board of Supervisors

By _____
Deputy

Approved as to form:
Kathleen Bales-Lange, Tulare County Counsel

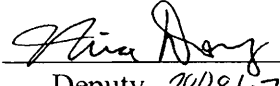
By _____
Deputy

CONSULTANT:

By  _____
Executive Director
"Consultant"

Note: Corporations Code Section 313 requires that contracts with a corporation shall be signed by the (1) chairman of the Board, the president or any vice-president and (2) the secretary, any assistant, the chief financial officer, or any assistant treasurer; unless the contract is also accompanied by a certified copy of the Board of Directors resolution authorizing the execution of the contract.

Approved as to Form
County Counsel

By:  _____
Deputy 2008674

Date: 3/18/08

EXHIBIT A - SCOPE OF WORK
CDBG Housing Rehabilitation Program

Expenditure Milestones

CONSULTANT will ensure that sufficient progress has been made in implementing the County's Housing Rehabilitation Program to the extent that the expenditure milestones set by the State will be met. Should these milestones differ from the executed State Standard Agreement, the milestones contained in the State Standard Agreement shall take precedence. Following are the expenditure milestones for this grant.

25%	\$198,750	10 Months after State Award
50%	\$397,500	15 Months after State Award
75%	\$596,250	20 Months after State Award
100%	\$795,000	24 Months after State Award

Housing Rehabilitation Program

CONSULTANT should consider incorporating affordable, sustainable, low impact development and construction practices that comply with any new Federal and State requirements into housing rehabilitation activities. The U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) provides a suite of standards for environmentally sustainable construction. The LEED for Neighborhood Development (ND) Rating System integrates the principles of smart growth, urbanism and green building into the first national system for neighborhood design. LEED certification provides independent, third-party verification that a development's location and design meet accepted high levels of environmentally responsible, sustainable development. Although it is not required to meet these standards, the County requests that firms begin to consider incorporating these sustainable standards in all projects. The above information on LEED was obtained from the U.S. Green Building Council's website at <http://www.usgbc.org/>; LEED ND information is also available at this website location.

CONSULTANT will provide rehabilitation assistance to approximately seven (7) owner-occupied households in the Redevelopment Project Areas of Earlimart, Goshen, Ivanhoe and Richgrove, pursuant to the adopted Tulare County guidelines for this program. The cost shall not exceed the budget constraints specified below:

CDBG Funds/Consultant's General Administration.	\$ 37,500
CDBG Funds/Loan Packaging & Construction Monitoring	\$ 78,375
CDBG Funds/Rehabilitation Housing Construction.	\$334,125
TCRA Housing Set-Aside Funds/Loan Packaging & Construction Monitoring	\$ 65,550
TCRA Housing Set-Aside Funds/Rehabilitation Housing Construction	\$279,450
Total not to exceed	\$795,000

The CDBG funds available for housing rehabilitation, loan packaging/construction monitoring, and administration are dependent on the estimated costs of the other activities approved for in the 2008 CDBG Standard Agreement. Any change in the project budgets of any activity will reduce or increase the amount of funds available to the Housing Rehabilitation Program.

CONSULTANT shall use the following step-by-step process to implement the rehabilitation program.

STEP 1 - CONSULTANT will first use Tulare County's waiting list for the Housing Rehabilitation Program. Once this list is exhausted, CONSULTANT will inform the public about the program by mailing notices to all property owners in the target area, by taking notices door-to-door, by telephone contact, by newspaper announcements, by posting and distributing fliers and by scheduling informational meetings. CONSULTANT will explain eligibility requirements and income guidelines to interested property owners and tenants.

STEP 2 - CONSULTANT will verify applicant and property eligibility and amount of assistance to be provided consistent with the COUNTY'S Housing Rehabilitation Loan Program guidelines, as Exhibit B as attached, and incorporated herein by reference. Once a participant application has been submitted and eligibility determined, CONSULTANT will arrange for a property value appraisal and a title report to verify home ownership. CONSULTANT will work with participants to resolve any title problems or outstanding liens against the property, in order to assure adequate security for loans.

STEP 3 - As eligible participants are identified, CONSULTANT will begin inspecting structures and preparing work write-ups and cost estimates in accordance with the program's housing standards and current County Building Standards.

STEP 4 - CONSULTANT will verify and document applicants' income and housing costs, and select the appropriate financing based on project guidelines. CONSULTANT will prepare all necessary documents and record a Deed of Trust securing the COUNTY'S investment, and record "Request For Notice" if the COUNTY is not the primary lien holder.

STEP 5 - In addition to assisting participants with rehabilitation financing through CDBG, CONSULTANT will pursue other funding for eligible persons in an effort to secure leverage commitments as detailed in the Application. The resources with the best potential for the project are:

- A. Personal resource is "voluntary labor or owner builder". Where possible, households will be encouraged to participate in work on their homes, thereby decreasing labor costs and learning home maintenance skills.
- B. Grant assistance from various State and Federal agencies will be sought for eligible participants.

STEP 6 - As financing for eligible participants is being processed, CONSULTANT will begin to inspect their homes and will work with the families to identify their housing rehab needs. At this time, CONSULTANT will explain the intent of the program, which is repairing health and safety hazards. CONSULTANT will explain program limitations, which exclude general property improvements out of CDBG funds, and the compromises that will be needed because of budget considerations. CONSULTANT will also discuss living conditions as a house is being worked on and the potential construction delays that may occur due to unforeseen problems. CONSULTANT will also explain temporary relocation, for the rare cases when rehabilitation work is sufficiently disruptive that tenants or homeowners must vacate the premises for a short period of time.

CONSULTANT will consult with the homeowner about the method of construction. CONSULTANT will solicit bids and conduct bid tours for the job. CONSULTANT will review specifications item by item with interested consultants at the job site. CONSULTANT will assist the homeowner to evaluate and select a bidder. After the bid tour, a pre-construction meeting will be scheduled between the CONSULTANT and family. The importance of cooperation and clear communication throughout the contract period will be emphasized. All the contract requirements for inspections, time extensions, progress payments, change orders, lien waivers, required affordability clauses, penalty clauses and warranties will be clearly explained. Before work begins, decisions will be made on materials selections and special order items, and a work schedule will be outlined in order to limit inconvenience to the homeowner. Any permits required for the job

will be procured before the start of the work. CONSULTANT work will be monitored and payments will be made for work completed and verified in accordance with contract documents.

STEP 7 - Once the eligibility/estimating process is complete, CONSULTANT will prepare the household's loan or grant application and will present the package to the COUNTY for review. Loans will be approved if they meet the eligibility guidelines established by the COUNTY and HCD. The loans will be made from the \$613,575 paid to CONSULTANT under this Agreement.

STEP 8 - After loan approval, CONSULTANT will prepare work write-ups in accordance with the program's housing standards and current County Building Standards. CONSULTANT will help the family make pragmatic decisions about what can be completed with the financing available. When the work write-up is done, the job is ready to proceed, as outlined in STEP 6. CONSULTANT will provide technical support and assistance to owners who will perform the actual rehabilitation work themselves.

STEP 9 - CONSULTANT will visit the job site weekly in order to check the scope of work, inspect materials, and to confirm the job is on schedule. CONSULTANT will talk with the family and with the CONSULTANT in order to remedy any developing problems quickly and to ensure that both are satisfied with the construction process. The participant authorizes CONSULTANT payments at the completion of each phase. CONSULTANT will work with the County Building Department to ensure the work complies with building codes, while not exceeding CDBG funding limits.

STEP 10 - At the completion of the job, CONSULTANT will check back with all plans and specifications to confirm the work was completed as contracted. Final inspections are made by CONSULTANT and by the County Building Inspector. Mechanic lien releases are obtained before the final retention payment is issued. Close-out documents for CONSULTANT jobs include a one-year guarantee on all labor and materials. The participant will be asked to sign the Notice of Completion, certifying satisfaction with completed work. CONSULTANT will assist owners to secure labor and material repairs from CONSULTANT responsible for construction defects for one year from date of final approval by County Building Department.

Community Development & Redevelopment staff may inspect work for quality and conformance with plans & specifications and general accepted building practices.

STEP 11 - After rehabilitation is finished, CONSULTANT will prepare a letter to the participant indicating the file is closed, the balance of their loan(s), the amount of monthly payments, and the location where they can make payments on their loan(s). The file will contain instructions for accepting payments, and for close out and reconveyance of the loan when it is paid in full. The complete participant file will be transferred to the COUNTY as the job is completed.

General Administration Duties

As part of its contracted responsibilities, CONSULTANT will provide technical assistance and will regularly communicate with County staff during the implementation and administration of the housing rehabilitation programs. At the beginning of the project, CONSULTANT will meet with County staff to review project guidelines and current administrative procedures established by the California Department of Housing and Community Development (HCD).

CONSULTANT will submit invoices by the fifteenth day of each month evidencing the time incurred by program delivery staff, construction costs and loans approved, as negotiated in the Agreement. Payment for the construction costs and each project invoice is expected within the standard thirty days (30) after approval of invoice or within receipt of grant funds, whichever is later. Each approved loan will be billed to the COUNTY when construction is ready to begin on a rehab project. Should there be an unexpended balance

after construction is completed or escrow closes, the amount will be credited to the participant's loan and unused loan funds will be returned to the County of Tulare.

CONSULTANT will perform the following services:

Outreach and Eligibility

- Provide promotional services to inform potentially eligible applicants, including but not limited to, published newspaper notices, door-to-door notices, and telephone contacts.
- Maintain a waiting list in cooperation with County staff, offering assistance to eligible and interested applicants on a first-come, first-served basis.
- Determine eligibility of applicants including standard program requirements and ability to improve a given property based on general plan, zoning and subdivision ordinance requirements.
- Comply with federal lead-based paint regulations.

Loan Packaging

- Prepare loan/grant documents for qualified applicants.
- Submit completed loan document packages to COUNTY for approval in conformance with program guidelines. Include: title reports, credit reports/ history, interior/exterior photos, site/plot plans, location within or outside of flood plain, mailing addresses, phone numbers, family sizes, race, ethnic background, numbers of single parents, elderly and handicapped occupants.
- Make arrangements for temporary relocation, if necessary during substantial rehabilitation or reconstruction.
- Process approved loans/grants to closing.
- Submit invoices to COUNTY on a monthly basis.
- Transfer participant files to COUNTY at project end.

Construction Monitoring

- Determine site required health and safety improvements.
- Comply with federal lead-based paint regulations.
- Prepare work write-ups.
- Prepare house plans, if necessary.
- Assist participant in contract bids and CONSULTANT selection.
- Monitor site work.
- Assist with temporary relocation, if necessary during substantial rehabilitation or reconstruction.
- Make CONSULTANT payments subject to participant approval.
- Serve as liaison between COUNTY, participant, and CONSULTANT.
- Cooperate with the COUNTY in its efforts to monitor projects for quality of construction and customer satisfaction.
- Provide photographic and CONSULTANT signatory verification that the sweat equity portion of rehabilitation activity is accomplished within three months following filing of notice of completion.

Administration

- Assist the COUNTY in areas of General Administration of the program which include, but are not limited to: CDBG records system, reports required by the Department of Housing and Community Development (HCD), program amendments, liaison between the COUNTY and State, and other services to be mutually agreed upon.
- Provide COUNTY with necessary technical assistance to implement and administer the State Grant Agreement.
- Provide monthly reports to COUNTY on progress and performance in relation to the activity budget and schedule milestones included in COUNTY'S State Standard Agreement or HCD approved amendments.

- Prepare reports that demonstrate compliance with CDBG program procedures and Federal and State regulations.
- Prepare and retain all pertinent records and documents sufficient to reflect all charges submitted.
- Expend all funds to meet the required milestone deadlines contained in the State Standard Agreement. If funded, COUNTY will provide a copy of the State Standard Agreement.
- Additional funds may be added to the contract for projects in the COUNTY'S efforts to fully expend CDBG Program Income prior to drawing down grant funds, as required by HCD.

EXHIBIT C – INSURANCE REQUIREMENTS

CONSULTANT shall provide and maintain insurance for the duration of this Agreement against claims for injuries to persons and damage to property, which may arise from, or in connection with, performance under the Agreement by the CONSULTANT, his agents, representatives, employees or subcontractors, if applicable.

A. Minimum Scope & Limits of Insurance

1. Coverage at least as broad as Commercial General Liability Insurance of \$1,000,000 combined single limit per occurrence. If the annual aggregate applies it must be no less than \$1,000,000.
2. Comprehensive Automobile Liability Insurance (if applicable) of \$1,000,000 per occurrence.
3. Workers' Compensation and Employer's Liability Insurance as required by law. Deductibles and Self-Insured Retentions

B. Specific Provisions of the Certificate

1. The Certificate of Insurance for General Liability and Comprehensive Automobile Liability Insurance must meet the following requirements:
 - a. *Name the COUNTY, Its officers, agents, employees and volunteers, individually and collectively, as additional insureds.*
 - b. *State that such Insurance for additional insureds shall apply as primary insurance and any other insurance maintained by COUNTY shall be excess.*
 - c. *Provide that coverage shall not be suspended, voided, canceled, reduced in coverage, or otherwise materially changed except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the COUNTY.*
2. The Certificate of Insurance for Workers Compensation must include the following waiver of subrogation:
 - a. *Waiver of Subrogation. CONSULTANT waives all rights against the COUNTY and its agents, officers, and employees for recovery of damages to the extent these damages are covered by the workers compensation and employers liability.*

C. Deductibles and Self-Insured Retentions The COUNTY Risk Manager must approve any deductible or self-insured retention that exceeds \$100,000.

D. Acceptability of Insurance

Insurance must be placed with insurers with a current rating given by A.M. Best and Company of no less than A (-) from a company admitted to do business in California. Any waiver of these standards is subject to approval by the COUNTY Risk Manager or COUNTY Risk Manager's designee.

E. Verification of Coverage

Prior to approval of this Agreement by the COUNTY, the CONSULTANT shall file with the submitting department, certificates of insurance with original endorsements effecting coverage in a form acceptable to the COUNTY. The COUNTY reserves the right to require certified copies of all required insurance policies at any time.