

SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

9206



FROM: Economic Development Agency

SUBMITTAL DATE:

June 2, 2011

SUBJECT: Pre-qualified Contractors List for all Economic Development Agency Home Repair Programs

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the selection of Pre-qualified Contractors List for use on an, "as-needed basis," for the Economic Development Agency for the County of Riverside (EDA);
2. Approve the attached template Contractor Participation Agreement ("Agreement");
3. Authorize the Assistant County Executive Officer, or designee, to sign the attached Agreement with each contractor, subject to County Counsel approval; and
4. Authorize the Assistant County Executive Officer, or designee, to take all necessary steps to implement this Agreement, including, but not limited to, signing subsequent necessary and relevant documents.

BACKGROUND: (Commences on Page 2)

Robert Field
Robert Field
Assistant County Executive Officer/EDA

FINANCIAL
DATA

Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	Yes
Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
Annual Net County Cost:	\$ 0	For Fiscal Year:	2010/11

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: Yes

SOURCE OF FUNDS: Community Development Block Grant (CDBG), and
Neighborhood Stabilization Program (NSP) Funds

Positions To Be Deleted Per A-30 ☐
Requires 4/5 Vote ☐

C.E.O. RECOMMENDATION:

APPROVE

BY:

County Executive Office Signature

Jennifer Sargent
Jennifer Sargent

Dep't Recomm.: ☐ Policy

Consent ☐

Per Exec. Ofc.: ☐

Policy ☒

Consent ☒

Policy ☒

Prev. Agn. Ref.: N/A

District: All

Agenda Number:

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

3.20

BACKGROUND:

EDA operates the Home Rehabilitation Program (HRP), Senior Home Repair (SHR), and the Neighborhood Stabilization Homeownership Program (NSHP). The HRP provides a loan up to \$20,000 to qualified low-income homeowners for the repair of their homes to address health and safety issues, handicap accessibility, as well as meeting Housing Quality Standards (HQS). The SHR program provides a one-time grant up to \$6,000 to qualified very-low income senior homeowners (62 years or older) or low-income handicapped persons of any age to repair or improve their homes. The work will be a minor repair to the home to address health and safety concerns as well as handicap accessibility. The NSHP assists program eligible homebuyers to purchase foreclosed homes. The county provides down payment assistance to the homebuyer to include rehabilitation of the home. Not all homebuyers will choose the rehabilitation component of this program. The work to be done on each home will be identified prior to the close of escrow. The maximum budget for each home is set at \$75,000 which amount is INCLUSIVE of down payment assistance and rehabilitation costs. The rehabilitation work is expected to range between \$1,000 and \$70,000, with a typical average of \$28,000.

On April 11, 2011, EDA published a Request for Qualification (RFQ) From General Contractors for all EDA home repair programs. The deadline for the RFQ was May 11, 2011. The RFQ was prepared for the purpose of developing a limited number of licensed general contractors to perform various rehabilitation services on an, "as-needed basis." Pre-qualifying a pool of contractors will enable EDA to quickly respond to the needs of the residents and will accelerate the delivery of services. EDA will assess the home and prepare a scope of work and solicit bids from the selected Pre-qualified Contractors List. A competitive bidding process will be followed in accordance with the procurement policy.

A total of 23 contractors responded to the RFQ, and based on the submittals, EDA has qualified 23 contractors as the most responsive and qualified contractors as shown in the **Attachment "A"**. The qualified contractors will be required to enter into a Contractor Participation Agreement (see **Attachment "B"**) prior to the issuance of any work order. The Pre-qualified Contractors List will be valid for one year following the date of approval per Public Contract Code Section 20101(c). Staff recommends that the Board of Supervisors approve the attached Pre-qualified Contractors List and Contractor Participation Agreement. County Counsel has reviewed and approved as to form the attached Pre-qualified Contractors List and Contractor Participation Agreement.

FINANCIAL DATA:

All associated costs will be fully funded through Community Development Block Grant (CDBG), and Neighborhood Stabilization Program (NSP) Funds

ATTACHMENTS:

Attachment "A": Pre-Qualified Contractors List
Attachment "B": Contractor Participation Agreement

ATTACHMENT "A"

PRE-QUALIFIED CONTRACTORS LIST (FY 2011-2012)

Approved General Contractors for All Home Repair Programs: HRP, SHR, and NSHP

1. A P S C Companies Inc DBA: Cook Construction Services, Riverside CA
2. Belmont Builders, Costa Mesa CA
3. Bonelli Construction Inc DBA: Inland Pacific Contractors, Riverside CA
4. Burkhardt Construction, Riverside CA
5. Burrow Construction, Blythe CA
6. Center Limber And Hardware Co, Thousand Palms CA
7. Christopher Construction, Cherry Valley CA
8. D L D Construction, Joshua Tree CA
9. Ferrari Enterprises Inc, Norco CA
10. High Tech Floors DBA: High Tech Renovations, Torrance CA
11. Hi - Mark Construction inc, Riverside CA
12. JJC Project Management Group inc, Riverside CA
13. K & S Construction Services Inc, Perris CA
14. Merriman's Incorporated, Calimesa CA
15. M H Construction, Cathedral City CA
16. Pacific MH Construction Inc, Corona CA
17. Palmaris Construction Inc, Mira Loma CA
18. Plyco Corp, Mira Loma CA
19. Precise Home Solutions & Construction Inc, Riverside CA
20. Raincross Construction Inc, Riverside CA
21. Ron Brehm Construction Inc, Fallbrook CA
22. T R Conrad Construction Inc, Riverside, CA
23. Vizion's West Inc, Winchester CA

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ATTACHMENT "B"

CONTRACTOR PARTICIPATION AGREEMENT

FOR THE COUNTY OF RIVERSIDE

**HOME REHABILITATION PROGRAM, SENIOR HOME REPAIR,
AND NEIGHBORHOOD STABILIZATION HOMEOWNERSHIP PROGRAM**

This Contractor Participation Agreement (hereinafter referred to as "AGREEMENT") is made and entered into as of the ____ day of _____ 2011 by and between the County of Riverside (hereinafter referred to as "COUNTY") and <Contractor> (hereinafter referred to as "CONTRACTOR"), for the purpose of providing construction services in conjunction with funds provided through the Home Rehabilitation Program, Senior Home Repair, and Neighborhood Stabilization Homeownership Program (hereinafter referred to as "PROGRAMS") administered by COUNTY.

RECITALS

WHEREAS, the COUNTY is a duly organized public body existing under the laws of the State of California;

WHEREAS, the COUNTY is an entitlement recipient of Community Development Block Grant (hereinafter referred to as "CDBG") funds, through the United States Department of Housing and Urban Development (hereinafter referred to as "HUD");

WHEREAS, home rehabilitation of single-family homes located within cooperating cities and unincorporated areas in the COUNTY is an eligible use of CDBG and NSP funds;

WHEREAS, the County of Riverside is an entitlement recipient of Neighborhood Stabilization Program funds (hereinafter referred to as "NSP"), a special allocation of Community Development Block Grant (hereinafter referred to as "CDBG") funds, through the United States Department of Housing and Urban Development (hereinafter referred to as "HUD");

1 **WHEREAS**, home rehabilitation and repair of foreclosed single family homes located in the
2 County of Riverside is an eligible use of NSP funds;

3
4 **WHEREAS**, COUNTY administers the PROGRAMS through the Economic Development
5 Agency for the County of Riverside (hereinafter referred to as "EDA");

6 **WHEREAS**, EDA published a Request for Qualification from General Contractors for the
7 Home Rehabilitation Program (HRP), Senior Home Repair (SHR), and Neighborhood Stabilization
8 Homeownership (NSHP) programs ("RFQ") on April 11, 2011;

9 **WHEREAS**, CONTRACTOR responded to the RFQ, was evaluated and met all the
10 requirements; and

11 **WHEREAS**, CONTRACTOR wishes to participate and receive invitations to bid on projects
12 within the PROGRAMS;

13 NOW, THEREFORE, the COUNTY and the CONTRACTOR mutually agreed as follows:

14 I. PURPOSE OF AGREEMENT

15 A. This AGREEMENT is entered into by and between COUNTY and CONTRACTOR for the
16 purpose of allowing the COUNTY to establish and maintain a continuing contractor
17 participation list.

18 B. COUNTY will use such contractor participation list to solicit bids for continuing projects.

19 C. The contractor participation list will be valid for one (1) calendar year from date of approval per
20 California Public Contract Code Section 20101(c).

21 II. DESCRIPTION OF PROGRAMS

22 A. Home Rehabilitation and Senior Home Repair Programs

23 1. COUNTY administers two home rehabilitation programs for County of Riverside
24 residents. The Home Rehabilitation Program ("HRP") has a limit of \$20,000 for each
25 residence and the Senior Home Repair program ("SHR") is limited to no more than \$6,000.

Both programs are for very low and low- income persons who are in need of repairs to their homes. The PROGRAMS coverage area includes all of unincorporated Riverside County and the cities participating in the PROGRAMS within the COUNTY.

2. The home rehabilitation work will be minor rehabilitation to owner occupied single-family conventional homes and mobile homes to address health and safety issues, handicap accessibility, as well as meeting Housing Quality Standards ("HQS").
3. Project scope, eligibility and approval are subject to the final approval of COUNTY.

B. Neighborhood Stabilization Homeownership Program

1. COUNTY administers the Neighborhood Stabilization Homeownership Program (NSHP) to assist program eligible homebuyers to purchase foreclosed homes. The Agency provides down payment assistance to the homebuyer to include rehabilitation of the home. Not all homebuyers will choose the rehabilitation component of this program. The work to be done on each home will be identified prior to the close of escrow. The work order will be processed after the close of escrow then a Notice to Proceed will be sent to the awarded contractor. These single family homes will be located in NSP target areas throughout the County of Riverside.
2. Contractors will be required to have experience in all aspects of construction remodeling and rehabilitation. The majority of the rehabilitation work identified through the NSHP Program will be exterior and energy efficiency improvements. The maximum budget for each project is set at \$75,000 which amount is INCLUSIVE of down payment assistance and rehabilitation costs. The rehabilitation work is expected to range between \$1,000 and \$70,000.

III. CONTRACTOR REPRESENTATIONS AND WARRANTIES

- A. CONTRACTOR represents, agrees and warrants that it is currently and validly licensed by the California Contractors State License Board and will maintain such valid license, in good

1 standing for the term of this AGREEMENT, as more specifically described in Exhibit A, which
2 is attached and by this reference incorporated herein.

- 3 B. CONTRACTOR represents, agrees and warrants that it has a current and valid surety bond in
4 compliance with the requirements of the California Contractors State License Board and will
5 maintain such valid bond.

6 IV. INSURANCE

7 Without limiting or diminishing the CONTRACTOR'S obligation to indemnify or hold the
8 COUNTY harmless, CONTRACTOR shall procure and maintain or cause to be maintained, at its
9 sole cost and expense, the following insurance coverage's during the term of this AGREEMENT:

- 10 A. Worker's Compensation Insurance. If CONTRACTOR has employees as defined by the State
11 of California, CONTRACTOR shall maintain statutory Workers' Compensation Insurance
12 (Coverage A) as prescribed by the laws of the State of California. Policy shall include
13 Employers' Liability (Coverage B) including Occupational Disease with limits not less than
14 \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor
15 of the COUNTY, and, if applicable, to provide a Borrowed Servant/Alternate Employer
16 Endorsement.

- 17 B. Commercial General Liability Insurance. Commercial General Liability insurance coverage,
18 including but not limited to, premises liability, contractual liability, products and completed
19 operations liability, personal and advertising injury, and cross liability coverage, covering claims
20 which may arise from or out of CONTRACTOR's performance of its obligations hereunder.
21 Policy shall name the County of Riverside, its Agencies, Districts, Special Districts, and
22 Departments, their respective directors, officers, Board of Supervisors, employees, elected or
23 appointed officials, agents or representatives as Additional Insureds. Policy's limit of liability
24 shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance
25

1 contains a general aggregate limit, it shall apply separately to this AGREEMENT or be no less
2 than two (2) times the occurrence limit.

3 C. Vehicle Liability Insurance. If vehicles or mobile equipment are used in the performance of the
4 obligations under this AGREEMENT, then CONTRACTOR shall maintain liability insurance
5 for all owned, non-owned or hired vehicles so used in an amount not less than \$500,000 per
6 occurrence combined single limit. If such insurance contains a general aggregate limit, it shall
7 apply separately to this AGREEMENT or be no less than two (2) times the occurrence limit.
8 Policy shall name the County of Riverside, its Agencies, Districts, Special Districts, and
9 Departments, their respective directors, officers, Board of Supervisors, employees, elected or
10 appointed officials, agents or representatives as Additional Insured or provide similar evidence
11 of coverage approved by the COUNTY's Risk Manager.

12 D. General Insurance Provisions - All lines.

- 13 1. Any insurance carrier providing insurance coverage hereunder shall be admitted to the State
14 of California and have an A.M. BEST rating of not less than an A: VIII (A: 8) unless such
15 requirements are waived, in writing, by the COUNTY Risk Manager. If the COUNTY'S
16 Risk Manager waives a requirement for a particular insurer such waiver is only valid for
17 that specific insurer and only for one policy term.
- 18 2. The CONTRACTOR's insurance carrier(s) must declare its self-insured retentions. If such
19 self-insured retentions exceed \$500,000 per occurrence such retentions shall have the prior
20 written consent of the COUNTY Risk Manager before the commencement of operations
21 under this AGREEMENT. Upon notification of self insured retention which are deemed
22 unacceptable to the COUNTY, and at the election of the COUNTY'S Risk Manager,
23 CONTRACTOR's carriers shall either:
- 24 a. Reduce or eliminate such self-insured retention as respects this AGREEMENT with the
25 COUNTY; or

1 b. Procure a bond which guarantees payment of losses and related investigations, claims
2 administration, defense costs and expenses.

3 3. CONTRACTOR shall cause CONTRACTOR'S insurance carrier(s) to furnish the
4 COUNTY with copies of the Certificate(s) of Insurance and Endorsements effecting
5 coverage as required herein, and 2) if requested to do so orally or in writing by the
6 COUNTY Risk Manager, provide copies of policies including all Endorsements and all
7 attachments thereto, showing such insurance is in full force and effect. Further, said
8 Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s)
9 that thirty (30) days written notice shall be given to the COUNTY prior to any material
10 modification, cancellation, expiration or reduction in coverage of such insurance. In the
11 event of a material modification, cancellation, expiration, or reduction in coverage, this
12 AGREEMENT shall terminate forthwith, unless the COUNTY receives, prior to such
13 effective date, another Certificate of Insurance and copies of endorsements, including all
14 endorsements and attachments thereto evidencing coverage's set forth herein and the
15 insurance required herein is in full force and effect. CONTRACTOR shall not commence
16 operations until the COUNTY has been furnished Certificate(s) of Insurance and copies of
17 endorsements and if requested, copies of policies of insurance including all endorsements
18 and any and all other attachments as required in this Section. An individual authorized by
19 the insurance carrier to do so, on its behalf shall sign the original endorsements for each
20 policy and the Certificate of Insurance.

21 4. It is understood and agreed by the parties hereto and the CONTRACTOR's insurance shall
22 be construed as primary insurance, and the COUNTY'S insurance and/or deductibles and/or
23 self-insured retentions or self-insured programs shall not be construed as contributory.

24 5. If, during the term of this AGREEMENT or any extension thereof, there is a material
25 change in the scope of services; or, there is a material change in the equipment to be used in

1 the performance of the scope of work, which will add additional exposures (such as the use
2 of aircraft, watercraft, cranes, etc.); or, the term of this AGREEMENT, including any
3 extensions thereof exceeds (5) years, the COUNTY reserves the right to adjust the types of
4 insurance required under this AGREEMENT and the monetary limits' of liability for the
5 insurance coverage's currently required herein, if; in the COUNTY Risk Manager's
6 reasonable judgment, the amount or type of insurance carried by the CONTRACTOR has
7 become inadequate.

8 6. CONTRACTOR shall pass down the insurance obligations contained herein to all tiers of
9 subcontractors working under this AGREEMENT.

10 7. The insurance requirements contained in this AGREEMENT may be met with a program(s)
11 of self-insurance acceptable to the COUNTY.

12 8. CONTRACTOR agrees to notify COUNTY of any claim by a third party or any incident or
13 event that may give rise to a claim arising from the performance of this AGREEMENT.

14 V. HOLD HARMLESS AND INDEMNIFICATION

15 A. CONTRACTOR shall indemnify and hold harmless the COUNTY, its Agencies, Districts,
16 Special Districts and Departments, their respective directors, officers, Board of Supervisors,
17 elected and appointed officials, employees, agents and representatives from any liability
18 whatsoever, based or asserted upon any services of CONTRACTOR, its officers, employees,
19 subcontractors, agents or representatives arising out of their performance under this
20 AGREEMENT, including but not limited to property damage, bodily injury, or death or any
21 other element of any kind or nature whatsoever arising from the performance of
22 CONTRACTOR, its officers, agents, employees, subcontractors, agents or representatives
23 under this AGREEMENT. CONTRACTOR shall defend, at its sole expense, all costs and fees
24 including, but not limited to attorney fees, cost of investigation, defense and settlements or
25 awards, the COUNTY, its Agencies, Districts, Special Districts and Departments, their

1 respective directors, officers, Board of Supervisors, elected and appointed officials, employees,
2 agents and representatives in any claim or action based upon such alleged acts or omissions.

3 B. With respect to any action or claim subject to indemnification herein by CONTRACTOR,
4 CONTRACTOR shall, at their sole cost, have the right to use counsel of their own choice and
5 shall have the right to adjust, settle, or compromise any such action or claim without the prior
6 consent of COUNTY; provided, however, that any such adjustment, settlement or compromise
7 in no manner whatsoever limits or circumscribes CONTRACTOR's indemnification to
8 COUNTY as set forth herein.

9 C. CONTRACTOR's obligation to hereunder shall be satisfied when CONTRACTOR has
10 provided to COUNTY the appropriate form of dismissal relieving COUNTY from any liability
11 for the action or claim involved

12 D. The specified insurance limits required in this AGREEMENT shall in no way limit or
13 circumscribe CONTRACTOR'S obligation to indemnify and hold harmless the COUNTY
14 herein from third party claims.

15 E. In the event there is conflict between this clause and California Civil Code Section 2782, this
16 clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve
17 the CONTRACTOR from indemnifying the COUNTY to the fullest extent allowed by law.

18 VI. REQUIREMENTS FOR COMPETITIVE BID

19 A. In the administration of the PROGRAMS, COUNTY will solicit bids in accordance with the
20 procurement standards of 24 CFR 85.36 under a sealed competitive bid.

21 B. COUNTY will review each bid and select the bid which is the most responsive, qualified and
22 lowest cost of all bids submitted for each solicitation.

23 C. Execution of this AGREEMENT does not guarantee any amount of work or any number of bid
24 solicitations.

25 VII. DUTY TO COOPERATE

- 1 A. COUNTY and CONTRACTOR agree to exercise good faith and fair dealing practices and to
2 cooperate with one another in all matters regarding the administration and management of the
3 PROGRAMS and each project.

4 **VIII. STANDARD OF PERFORMANCE**

- 5 A. CONTRACTOR agrees to complete all work in a manner consistent with high industry
6 standards for construction in the State of California.
- 7 B. CONTRACTOR agrees to provide a minimum of one (1) year warranty and guarantee for all
8 labor and a minimum manufacturer's warranty and guarantee for all material installed, which
9 will be assigned to the homeowner at the time the repair work is completed and accepted by
10 COUNTY and the homeowner. In the case of roofing jobs – a minimum of three (3) years to be
11 warranted for labor and materials. CONTRACTOR will supply the homeowner a copy of the
12 signed off job card, materials guarantee, and installer's warranty for any shingled roof
13 installation.
- 14 C. CONTRACTOR agrees to diligently pursue completion of all work identified within the work
15 order. CONTRACTOR further agrees to provide County with a notice of completion,
16 additionally including a full and complete copy of the fully approved and signed project job
17 card identifying final inspection and approval by the local jurisdiction, within five (5) days of
18 completion.
- 19 D. All terms of the RFQ and any addenda thereto are incorporated into this AGREEMENT to the
20 extent they are not modified by the AGREEMENT.
- 21 E. In addition to the terms set forth herein, CONTRACTOR agrees to the terms and conditions set
22 forth in the Contractor's Practice and Standards, as more specifically described in Exhibit B,
23 which is attached and by this reference incorporated herein.

24 **IX. SCOPE OF PROJECTS**

- 25 A. COUNTY will define the full project scope within a COUNTY work order to be delivered to

1 CONTRACTOR.

- 2 B. CONTRACTOR agrees not to work beyond the boundaries of the project scope identified
3 within the work order.

4 X. CHANGE ORDERS

- 5 A. CONTRACTOR must solicit all requests for change order in writing prior to commencement
6 of any work to be identified within the change order request.
- 7 B. COUNTY will consider all change orders requested in writing.
- 8 C. COUNTY will review the change order request and approve such request only for items
9 limited to those which were not reasonably foreseen and not included, in the original work
10 order. A change order is not appropriate to increase the project scope. The change order work
11 request must be a necessary amendment without which satisfactory completion of the project is
12 not feasible.
- 13 D. CONTRACTOR agrees not to incur any expenses for work described in the change order
14 request prior to written approval by COUNTY.
- 15 E. COUNTY will not be obligated to pay or reimburse any costs incurred by CONTRACTOR for
16 work within change order request prior to written approval by COUNTY.
- 17 F. Under no circumstances shall the total change order request exceed TEN PERCENT (10%) of
18 the total bid amount.

19 XI. PROJECT COMMENCEMENT

- 20 A. COUNTY and CONTRACTOR will attend a pre-construction conference, if applicable, with
21 the homeowner prior to authorization of any work order.
- 22 B. CONTRACTOR will not initiate any construction nor incur any costs or expenses related to the
23 COUNTY work order until such time that CONTRACTOR receives from COUNTY a written
24 Notice to Proceed.
- 25 C. CONTRACTOR shall be required to commence work within ten (10) calendar days after

1 receipt of Notice to Proceed letter issued by COUNTY.

2 D. All construction work on a Senior Home Repair shall be completed within forty (40) calendar
3 days after the issuance of a Notice to Proceed letter.

4 E. All construction work on Home Rehabilitation Programs shall be completed within sixty (60)
5 calendar days after the issuance of the Notice to Proceed letter.

6 F. All construction work on Neighborhood Stabilization Homeownership Program shall be
7 completed within thirty (30) calendar days after the issuance of a Notice to Proceed letter.

8 XII. METHOD OF PAYMENT FOR SERVICES

9 A. CONTRACTOR agrees to submit an invoice to COUNTY requesting payment for work
10 completed. COUNTY will not consider any invoice or request for payment in advance of any
11 work to be completed.

12 B. CONTRACTOR agrees to submit to COUNTY all conditional and unconditional lien releases,
13 if applicable.

14 C. COUNTY will inspect the completed work billed for within the CONTRACTOR's submitted
15 invoice and, if COUNTY receives the above mentioned lien releases and work is completed to
16 the satisfaction of the homeowner and COUNTY and in a manner consistent with building
17 code, as evidenced by signature on the project job card, deliver payment within thirty (30)
18 calendar days of the invoice date, subject to the provisions identified below.

19 D. One (1) progress payment may be allowed for Home Rehabilitation Program projects only. The
20 project must be at least fifty (50) percent completed in order to request a progress payment for
21 Home Rehabilitation Program.

22 E. Progress payments will not be allowed for Senior Home Repair projects.

23 F. Project scope completion must include the delivery and installation of materials.

24 G. COUNTY will retain a minimum of ten percent (10%) of the project cost, as identified with the
25 COUNTY purchase order and as may have been amended by any validly authorized change

1 order, until the project scope is complete to the satisfaction of the homeowner and AGENCY,
2 evidenced by COUNTY'S receipt of CONTRACTOR'S submitted notice of completion and
3 fully executed project job card.

4 H. In the event the CONTRACTOR receives payment under this AGREEMENT which is later
5 disallowed by COUNTY for nonconformance with the terms of this AGREEMENT, the
6 CONTRACTOR shall promptly refund the disallowed amount to the COUNTY on request; or
7 at its option COUNTY may offset the amount disallowed from any payment due to the
8 CONTRACTOR.

9 **XIII. DEFAULTS, REMEDIES AND TERMINATION**

10 A. Default. Subject to the notice and cure provisions identified below and the expiration of the cure
11 period set forth therein, the following events shall be a material default by CONTRACTOR:

- 12 1. Failure of CONTRACTOR to perform or observe any material provisions or conditions of
13 this AGREEMENT;
- 14 2. Failure of CONTRACTOR to diligently pursue completion of the project scope;
- 15 3. Failure of CONTRACTOR to complete all work in a manner consistent with high industry
16 standards for the construction field in the State of California;
- 17 4. Failure of CONTRACTOR to validly provide and respond to the warranties and guarantees
18 required within this AGREEMENT;

19 B. Notice of Right to Cure

- 20 1. Prior to pursuing any remedy for an alleged default of CONTRACTOR, COUNTY will
21 provide notice of default to CONTRACTOR. Each notice of default shall specify the
22 alleged event of default and the intended remedy. CONTRACTOR shall have three (3)
23 calendar days to cure the alleged default.
- 24 2. CONTRACTOR shall have twenty-four (24) hours to cure the alleged default if such
25 default constitutes an immediate health and safety hazard.

1 C. Remedies. In the event material default by CONTRACTOR continues uncured for a period of
2 three (3) calendar days, or twenty-four (24) hours if an immediate health and safety hazard
3 exists, in addition to the rights and remedies provided by law or equity, COUNTY may, at its
4 election:

- 5 1. Terminate this AGREEMENT by giving CONTRACTOR written notice of termination; or
- 6 2. Engage an alternate contractor to cure the event of default and thereafter, bill and collect
7 from CONTRACTOR the amounts expended by COUNTY to cure the event of default.

8 D. Termination

- 9 1. COUNTY and CONTRACTOR may terminate this AGREEMENT, without cause, at any
10 time by giving one another written notice of termination, subject to required satisfactory
11 completion of all work pending in any and all validly outstanding COUNTY purchase order
12 as may have been amended by any validly authorized change order.

13 XIV. COMPLIANCE WITH PROGRAMS FUND SOURCE REQUIREMENTS

14 A. Applicable Regulations. CONTRACTOR acknowledges that the PROGRAM shall be funded
15 with NSP funds as authorized by the Housing and Economic Recovery Act of 2008 and CDBG
16 funds as authorized by the Housing and Community Development Act of 1974. This activity
17 meets a National Objective by serving limited clientele as defined by 24 CFR 570.208(a)(2)(i)
18 which must benefit persons who are of low and moderate income. By executing this
19 AGREEMENT, the CONTRACTOR agrees to comply with the following as they may be
20 applicable:

- 21 1. The Housing and Economic Recovery Act of 2008;
 - 22 2. The Housing and Community Development Act of 1974, as amended;
 - 23 3. Section 3 of the Housing and Urban Development Act of 1968, as amended.
- 24
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- 1 4. To the greatest extent feasible, opportunities for training and employment arising from
2 PROGRAMS funds will be provided to low-income persons residing in the programs
3 service area.
- 4 5. To the greatest extent feasible, contracts for work to be performed in connection with
5 PROGRAMS funds will be awarded to business concerns that are located in or owned by
6 persons residing in the COUNTY.
- 7 6. Executive Order 11246, as amended by Executive Orders 11375 and 12086, and
8 implementing regulations at 41 CFR Chapter 60;
- 9 7. Executive Order 11063, as amended by Executive Order 12259, and implementing
10 regulations at 24 CFR Part 107;
- 11 8. Section 504 of the Rehabilitation Act of 1973 (PL 93-112), as amended, and implementing
12 regulations;
- 13 9. The Age Discrimination Act of 1975 (PL 94-135), as amended, and implementing
14 regulations;
- 15 10. The labor standard requirements as set forth in 24 CFR Part 570, Subpart K and HUD
16 regulations issued to implement such requirements;
- 17 11. The flood insurance purchase requirements of Section 102(a) of the Flood Disaster
18 Protection Act of 1973 (PL 93-234);
- 19 12. The regulations, policies, guidelines and requirements of 24 CFR Part 85 "Common Rule,"
20 OMB Circular Nos. A-87, A-21, A-110, A-122 and A-133 as they relate to the acceptance
21 and use of federal funds under the federally assigned programs;
- 22 13. Title VI of the Civil Rights Act of 1964 (PL 88-352) and implementing regulations issued
23 at 24 CFR Part 1;
- 24 14. Title VIII of the Civil Rights Act of 1968 (PL 90-284) as amended;
- 25

1 15. The lead-based paint requirements of 24 CFR Part 35 issued pursuant to the Lead-based
2 Paint Poisoning Prevention Act (42 USC 4801, et seq.);

3 16. Uniform Administration Requirements pursuant to 24 CFR 570.502;

4 17. CONTRACTOR shall carry out its activity pursuant to this AGREEMENT in compliance
5 with all federal laws and regulations described in Subpart K of Title 24 of the Code of
6 Federal Regulations, except that:

7 a. CONTRACTOR does not assume the COUNTY'S environmental responsibilities
8 described at §570.604; and

9 b. CONTRACTOR does not assume the COUNTY'S responsibility for initiating the
10 review process under the provisions of 24 CFR Part 52.

11 B. Prohibition Against Discrimination.

12 1. CONTRACTOR shall ensure against any form of discrimination in
13 employment and contracting on the grounds of race, color, national origin, or sex.

14 2. CONTRACTOR shall ensure that no person on the grounds of race, color, ,national origin,
15 or sex, be excluded from participation in, be denied the benefits, or be subjected to
16 discrimination under any program or activity funded in whole or in part by any of the
17 PROGRAMS.

18 C. Prohibition Against Conflict of Interest.

19 1. CONTRACTOR and its assigns, employees, agents, consultants, officers and elected and
20 appointed officials shall become familiar with and shall comply with the CDBG regulations
21 prohibiting conflicts of interest contained in 24 CFR 570.611, as more specifically
22 described in Exhibit C, which is attached and by this reference incorporated herein.

23 2. CONTRACTOR and its assigns, employees, agents, consultants, officers, and elected and
24 appointed officials shall become familiar with and shall comply with Policy Manual #A-11
25

1 regarding Conflict of Interest Coded, as more specifically described in Exhibit D, which is
2 attached and by this reference incorporated herein.

3 3. CONTRACTOR understands and agrees that no waiver or exception can be granted to the
4 prohibition against conflict of interest except upon written approval of HUD pursuant to 24
5 CFR 570.611(d). Any request by CONTRACTOR for an exception shall first be reviewed
6 by COUNTY to determine whether such request is appropriate for submission to HUD. In
7 determining whether such request is appropriate for submission to HUD, COUNTY will
8 consider the factors listed in 24 CFR 570.611(d)(2).

9 XV. INDEPENDENT CONTRACTOR. CONTRACTOR and its agents, servants and employees
10 shall act at all times in an independent capacity during the term of this AGREEMENT, and shall
11 not act as, shall not be, nor shall they in any manner be construed to be agents, officers or
12 employees of the COUNTY.

13 XVI. EMPLOYMENT OPPORTUNITIES TO BE CAUSED BY PROJECTS. CONTRACTOR
14 agrees to, and will require any lessee or assignee to notify Riverside Workforce Development
15 Center/WIA and Cal WORKS/GAIN with the Department of Public Social Services of any and
16 all job openings that are caused by this project.

17 XVII. GOVERNING LAW: JURISDICTION AND VENUE. This AGREEMENT shall be governed
18 by and construed in accordance with the laws of the State of California. The parties agree that
19 any legal action related to the interpretation or performance of this AGREEMENT shall be filed
20 in the Superior Court for the State of California located in Riverside, California.

21 XVIII. MODIFICATION OR AMENDMENTS. This AGREEMENT shall not be modified or
22 amended except in a written document signed by both parties.

23 XIX. NOTICES. All notices, request, demands and other communication required or desired to be
24 served by either party upon the other shall be addressed to the respective parties as set forth
25 below or such other addresses as from time to time shall be designated by the respective parties

1 and shall be sufficient if sent by United States first class, certified mail, postage prepaid, or
2 express delivery service with a receipt showing the date of delivery.

3 COUNTY

CONTRACTOR

4 Economic Development Agency
5 Attention: Emilio Ramirez
6 3403 10th Street, Suite 500
7 Riverside, CA 92501

8 XX. WAIVER. Any waiver by COUNTY of any breach of any one or more of the terms of this
9 AGREEMENT shall not be construed to be a waiver of any subsequent or other breach of the
10 same or of any term thereof. Failure on the part of the COUNTY to require exact, full and
11 complete compliance with any terms of this AGREEMENT shall not be construed as in any
12 manner changing the terms hereof, or stopping COUNTY from enforcement hereof.

13 XXI. DISPUTES.

14 A. The parties shall attempt to resolve any disputes amicably at the working level. If that is not
15 successful, the dispute shall be referred to the senior management of the parties. The
16 CONTRACTOR shall proceed diligently with the performance of this AGREEMENT pending
17 resolution of a dispute.

18 B. Prior to the filing of any legal action related to this AGREEMENT, the parties shall be obligated
19 to attend a mediation session in Riverside County before a neutral third party mediator. A
20 second session shall be required if the first session is not successful. The parties shall share the
21 cost of the mediations.

22 XXII. ENTIRE AGREEMENT. It is expressly agreed that this AGREEMENT embodies the entire
23 AGREEMENT of the parties in relation to the subject matter hereof, and that no other
24 AGREEMENT or understanding, verbal or otherwise, relative to this subject matter, exists
25 between the parties at the time of execution.

1 XXIII. SEVERABILITY. Each paragraph and provision of this AGREEMENT is severable from each
2 other provision, and if any provision or part thereof is declared invalid, the remaining provisions
3 shall nevertheless remain in full force and effect.

4 XXIV. COUNTERPARTS. This AGREEMENT may be signed by the different parties hereto in
5 counterparts, each of which shall be an original, but all of which together shall constitute one and
6 the same agreement.

7 XXV. AUTHORITY TO EXECUTE. The persons executing this Agreement or exhibits attached
8 hereto on behalf of the parties to this Agreement hereby warrant and represent that they have the
9 authority to execute this Agreement and warrant and represent that they have the authority to
10 bind the respective parties to this Agreement to the performance of its obligations hereunder.

11 (END OF AGREEMENT)

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2 IN WITNESS WHEREOF, the parties hereto have executed this AGREEMENT as of the date
3 first above written.
4

5 COUNTY:

6 COUNTY OF RIVERSIDE

CONTRACTOR:

(Insert Contractor Name)

7
8 By: 

Emilio Ramirez
Assistant Director

By: _____

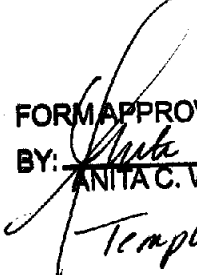
(Name, Title)

10
11 APPROVED AS TO FORM:

12 PAMELA J. WALLS, County Counsel

13
14 By: _____

Anita C. Willis, Deputy

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18
19 FORM APPROVED COUNTY COUNSEL
BY:  DATE 5/26/11

ANITA C. WILLIS

DATE

Template Agreement Only

EXHIBIT A
DESCRIPTION OF CONTRACTOR

Name of Contractor

Contact Information

Name

Title

Street Address

Telephone Number

Fax Number

E-mail Address

License Information

License Number

License Type

License Valid Dates

Insurance Information (Insurance Company Name and Amount of Coverage)

Worker's Compensation

Surety Bond

General Liability

Vehicle Liability

EXHIBIT B
HOME REHABILITATION PROGRAM, SENIOR HOME REPAIR,
AND NEIGHBORHOOD STABILIZATION HOMEOWNERSHIP PROGRAMS
CONTRACTOR PRACTICES STANDARDS

Contractor Practices Standards:

- 1) Contractors will have a maximum of fourteen (14) working days to submit proposal/bids to County after invitation to bid is posted. All bid deadlines will be set by County staff and will be indicated on invitation to bid paperwork. Under no circumstances will proposal/bids be accepted after indicated bid deadline. County has three approved methods of proposal/bid submittal, U.S. Postal service, public carriers: UPS, FED-EX, DHL, etc. or hand delivery. County's preferred method of document submittal is hand delivery.
- 2) Before commencing on any project Contractor must receive, from County, a Purchase Order, signed by Homeowner and County, identifying the cost and scope of work, and must receive from County a written Notice to Proceed.
- 3) Contractor will be responsible for applying for and acquiring all necessary permits from the County of Riverside, special district, or the municipal jurisdiction whichever has land use authority, for work requiring permits, and Contractor must deliver to County copies of all signed off permits.
- 4) Contractor, within the contracted amount, will be responsible for the cost of all permits and fees.
- 5) Contractor, within the contracted amount, will be responsible for all requirements of construction as delineated in the Purchase Order, Scope of Work, and Contractor's Bid Proposal.
- 6) The Homeowner has the right, and should be encouraged by the Contractor, to inspect all materials to be used or installed prior to installation.

- 7) All construction shall meet industry standards for workmanship and materials as determined by County, and all work must be completed according to applicable building code and permit requirements established for this project by the County of Riverside, special district, or the municipal jurisdiction, whichever has land use authority. Homeowners' association requirements may also exist that could affect the scope of work or work product.
- 8) County will not be responsible for payment for any work, material or equipment that is not delineated on the Purchase Order, Scope of Work, Contractor's Bid Proposal, or contractual agreement signed by the Contractor and County. Any additional work, or changes in the work agreed to by the Contractor and the Homeowner, without the approval of County, will have been done solely at the Contractor's expense.
- 9) County will require a written request for Change Order from the Contractor for any additional cost or work to be done. Change Orders will be submitted to County and if accepted, will require written approval from homeowner. Any work done prior to the submittal and approval of the Change Order by County will be considered outside the scope of the project and will be the total financial responsibility of the Contractor. The Contractor cannot proceed with the additional work without written approval of the change order from the County.
- 10) County shall cause homeowner to make every effort to provide the Contractor with access to the work areas during normal business hours from Monday through Friday. Work on the weekends and holidays are permitted if it is agreed to by both parties. Inability of the Contractor to access the property can be cause for cancellation of the project by County. Contractor must provide homeowner with reasonable prior notice as to when access will be required. All livestock on the property will be controlled and managed by the homeowner so that the Contractor and/or his workers and/or his sub-contractors will not be endangered or injured by the livestock.
- 11) If County or the Contractor discovers, during the course of the construction, any anomalous,

condition, code violation, or any damage to the structural integrity, or any of the building systems: electrical, plumbing, HVAC, roofing, or framing that poses a hazard to the Homeowners or to the Contractor, or to County personnel on the jobsite; County reserves the right to modify the statement of work to correct the problem with any or all of the funds allocated to the project.

- 12) County will attempt to resolve all concerns regarding workmanship and the timely completion of the work to the satisfaction of the homeowner if reasonably possible. It is anticipated that the CONTRACTOR will assign warranties related to the project to the homeowner once the project is completed and signed off.
- 13) At the completion of the construction the Contractor will supply County with an invoice for work completed and a Conditional Waiver and Release for the job as well.
- 14) For final payment, County will require a final site visit and inspection of project.
- 15) For Final payment, County will require a copy of a fully signed off building permit if applicable.
- 16) County will require thirty (30) days to deliver payment to the Contractor after all work has been inspected by County representative. County staff will conduct final inspection no more than five (5) business days after receipt of invoice.
- 17) County requires that Contractor and/or his or her sub-contractors deliver all warranties, expressed and/or implied, to homeowner prior to final payment. Copies of warranty paperwork must also be submitted to County with final invoice.
- 18) Failure to comply with any of the above Practices and Standards and/or poor workmanship may result in removal of the contractor from County's Contractor list, and possible retention of any unpaid balances, and/or recovery of any funds necessary for County to complete the project correctly.
- 19) If the Contractor has commenced the work and has not appeared at work for more than 3

working days, County reserves the right to instruct the Contractor to start and complete the project within a specific time frame. If the Contractor fails to appear and complete the job within the specific time frame, County reserves the right to hire another Contractor to complete the balance of the job. County will then back-charge the 1st Contractor and require him/her to pay the 2nd contractor, or County will pay the balance of the funds allocated to the job to the 2nd Contractor to complete the work in full.

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EXHIBIT C
CONFLICT OF INTEREST REGULATIONS

24 CFR 570.611

A) Applicability.

- 1) In the procurement of supplies, equipment, construction, and services by recipients, and by sub recipients (including those specified at § 570.204(c)), the conflict of interest provisions in 24 CFR 85.36 and OMB Circular A 110, respectively, shall apply.
- 2) In all cases not governed by 24 CFR 85.36 and OMB Circular A-110, the provisions of this section shall apply. Such cases include the acquisition and disposition of real property and the provision of assistance by the recipient, by its sub recipients, or to individuals, businesses and other private entities under eligible activities which authorize such assistance (e.g., rehabilitation, preservation, and other improvements of private properties or facilities pursuant to § 570.202, or grants, loans and other assistance to businesses, individuals and other private entities pursuant to § 570-203, § 570.204 or § 570.455).

- B) Conflicts prohibited. Except for the use of CDBG funds to pay salaries and other related administrative or personnel costs, the general rule is that no persons described in paragraph (c) of this section who exercise or have exercised any functions or responsibilities with respect to CDBG activities assisted under this part or who are in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a personal or financial interest or benefit from a CDBG assisted activity, or have an interest in any contract, subcontract or AGREEMENT with respect thereto, or the proceeds there under, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter. For the UDAG program, the above restrictions shall apply to all activities that are a part of the UDAG project, and shall cover any such interest or benefit during, or at any time after, such person's tenure.

- C) Persons covered. The conflict of interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the recipient, or of any designated public agencies, or sub recipients which are receiving funds under this part.
- D) Exceptions. Upon the written request of the recipient, HUD may grant an exception to the provisions of paragraph (b) of this section on a case-by-case basis when it has satisfactorily met the threshold requirements of (d)(1) of this section, taking into account the cumulative effects of paragraph (d)(2) of this section.
- 1) Threshold requirements. HUD will consider an exception only after the recipient has provided the following documentation:
 - i. A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosures were made; and
 - ii. An opinion of the recipient's attorney that the interest for which the exception is sought would not violate State or low law.
 2. Factors to be considered for exceptions. In determining whether to grant a requested exception after the recipient has satisfactorily met the requirements of paragraph (d)(1) of this section, HUD shall conclude that such an exception will serve to further the purposes of the Act and the effective and efficient administration of the recipient's program or project, taking into account the cumulative effect of the following factors, as applicable:
 - i. Whether the exception would provide a significant cost benefit or an essential degree of expertise to the programs or project which would otherwise not be available;
 - ii. Whether an opportunity was provided for open competitive bidding or negotiation;
 - iii. Whether the person affected is a member of a group or class of low- or moderate-income persons intended to be the beneficiaries of the assisted activity, and the exception will

permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;

- iv. Whether the affected person has withdrawn from his or her functions or responsibilities, or the decision making process with respect to the specific assisted activity in question;
- v. Whether the interest or benefit was present before the affected person was in a position as described in paragraph (b) of this section;
- vi. Whether undue hardship will result either to the recipient or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and
- vii. Any other relevant considerations.

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EXHIBIT D

CONFLICT OF INTEREST CODED

Community Development Block Grant Policy Manual, I.D. # A-11

TOPIC: CONFLICT OF INTEREST CODED
 RIVERSIDE COUNTY
 ECONOMIC DEVELOPMENT AGENCY

DATE: MARCH 1999

This Conflict of Interest Code is written to comply with Federal Regulations (24 CFR Part 85). These Regulations, "Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments" require that grantees and sub-grantees will maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts.

- 1) No employee, officer, or agent of the grantee shall participate in the selection, in the award or in the administration of a contract supported by Federal Funds if a conflict of interest, real or apparent, would be involved.
- 2) Such a conflict will arise when:
 - i) The employee, officer or agent;
 - ii) Any member of the immediate family;
 - iii) His/Her partners; or
 - iv) An organization which employs, or is about to employ any of the above has a financial or other interest in the firm's selection for award.
- 3) The grantee's or sub-grantee's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors or parties to sub-agreements except as noted in Section 4.
- 4) A grantee's or sub-grantee's officers, employees or agents will be presumed to have a financial interest in a business if their financial interest exceeds the following:

- i) Any business entity in which the official has a direct or indirect investment worth one thousand dollars (\$1,000) or more.
 - ii) Any real property in which the official has a direct or indirect interest worth one thousand dollars (\$1,000) or more.
 - iii) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating two hundred fifty dollars (\$250) or more in value provided to, received by or promised to the official within 12 months prior to the time when the decision is made.
 - iv) Any business entity in which the official is a director, officer, partner, trustee, employee, or holds any position of management.
 - v) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating two hundred fifty dollars (\$250) or more in value provided to, received by, or promised to the official within 12 months prior to the time when the decision is made.
- 5) For purposes of Section 4, indirect investment or interest means any investment or interest owned by the spouse or dependent child of an official, by an agent on behalf of an official, or by a business entity or trust in which the official, the official's agents, spouse, and dependent children own directly, indirectly, or beneficially a 10-percent interest or more.