

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

828



FROM: Economic Development Agency

SUBMITTAL DATE:
June 6, 2013

SUBJECT: Pre-qualified Contractors List for 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) home repair programs;
2. Approve the attached template Contractor Participation Agreement (Agreement);
3. Authorize the Assistant County Executive Officer/EDA, or designee, to execute the attached Agreement; 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
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:	2013/14

COMPANION ITEM ON BOARD AGENDA: No

SOURCE OF FUNDS: Community Development Block Grant (CDBG)	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

BY: Jennifer L. Sargent

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Benoit, seconded by Supervisor Jeffries and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Stone, Benoit and Ashley
 Nays: None
 Absent: None
 Date: June 18, 2013
 xc: EDA

Kecia Harper-Ihem
 Clerk of the Board
 By: Deputy

3-14

Prev. Agn. Ref.: N/A

District: All

Agenda Number:

FORM APPROVED COUNTY COUNSEL
BY: Annie T. Sahhar 5/23/13
DATE

Departmental Concurrence

Policy

Consent

Dept't Recomm.:
 Per Exec. Ofc.:

BACKGROUND:

EDA operates the Home Repair Loan Program (HRLP) and Senior Home Repair Grant Program (SHRG). The HRLP provides a loan up to \$10,000, secured with a promissory note and deed of trust, to qualified low-income homeowners for the repair of their homes to address health and safety issues, handicap accessibility and Housing Quality Standards (HQS) issues. The SHRG program provides a one-time grant up to \$6,000 to qualified very-low income senior homeowners (62 years of age or older) or very-low income disabled persons of any age to repair or improve their homes. SHRG repairs address health and safety concerns related to electrical, plumbing, roofing and HVAC issues as well as handicap accessibility. To date in fiscal year 2012 – 2013 EDA has assisted a total of five homes with HRLP assistance and fifteen homes with SHRG assistance. These projects were located in Cathedral City, Desert Hot Springs, Lake Elsinore and Murrieta. There were also projects in the unincorporated areas of all five Supervisorial Districts assisted through HRLP and SHRG.

On April 18, 2013, EDA published a Request for Qualification (RFQ) from general contractors for all EDA home repair programs. The deadline for the RFQ was May 16, 2013. 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. The RFQ's received were reviewed and scored by a panel of qualified staff members to ensure the most responsible and qualified contractors were approved. 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 outlined in 24 CFR 85.36.

EDA has qualified only the most responsive and qualified contractors as shown in 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) Funds

ATTACHMENTS:

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

ATTACHMENT A

PRE-QUALIFIED CONTRACTORS LIST (FY 2013-2014)

Approved General Contractors for All Home Repair Programs: HRLP and SHRG

1. Victor Palos Development and Construction, Upland, California
2. T R Conrad Construction Inc., Jurupa Valley, California
3. Crown Contracting Inc., Yucca Valley, California
4. Diversified Pacific Development Inc., Riverside, California
5. J C Construction, Hemet, California
6. Charles G. Knoedler dba: Ryder Construction Co., La Quinta, California
7. High Tech Renovations Inc., Torrance, California
8. Pacific MH Construction Inc., Corona, California
9. Boneli Construction Inc. dba: Inland Pacific Contractors, Riverside, California
10. Trinity III Construction Inc., Thousand Palms, California
11. Vizion's West Inc., Winchester, California
12. Ace and Sons Construction Inc., Riverside, California

1 ATTACHMENT "B"

2 CONTRACTOR PARTICIPATION AGREEMENT

3 FOR THE COUNTY OF RIVERSIDE

4 HOME REHABILITATION LOAN PROGRAM and SENIOR HOME REPAIR GRANT

5 PROGRAM

6 This Contractor Participation Agreement (hereinafter referred to as "AGREEMENT") is made
7 and entered into as of the ____ day of _____ 2013 by and between the County of
8 Riverside (hereinafter referred to as "COUNTY") and <Contractor> (hereinafter referred to as
9 "CONTRACTOR"), for the purpose of providing construction services in conjunction with funds
10 provided through the Home Rehabilitation Loan Program and Senior Home Repair Grant Program
11 (hereinafter referred to as "PROGRAMS") administered by COUNTY.

12 RECITALS

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

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

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

20 WHEREAS, COUNTY administers the PROGRAMS through the Economic Development
21 Agency for the County of Riverside (hereinafter referred to as "EDA");

22 WHEREAS, EDA published a Request for Qualification ("RFQ") from General Contractors
23 for the Home Rehabilitation Loan Program (HRLP) and Senior Home Repair Grant Program (SHRG)
24 on April 18, 2013;

25 WHEREAS, CONTRACTOR responded to the RFQ, was evaluated and met all the

1 requirements; and

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

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

5 **I. PURPOSE OF AGREEMENT**

- 6 A. This AGREEMENT is entered into by and between COUNTY and CONTRACTOR for the
7 purpose of allowing the COUNTY to establish and maintain a continuing contractor
8 participation list.
- 9 B. COUNTY will use such contractor participation list to solicit bids for continuing projects.
- 10 C. The contractor participation list will be valid for one (1) calendar year from date of approval per
11 California Public Contract Code Section 20101(c).

12 **II. DESCRIPTION OF PROGRAMS**

13 **A. Home Rehabilitation Loan and Senior Home Repair Grant Programs**

- 14 1. COUNTY administers two home rehabilitation programs for County of Riverside
15 residents. The Home Rehabilitation Loan Program (“HRLP”) has a limit of \$10,000 for
16 each residence and the Senior Home Repair Grant Program (“SHRG”) is limited to no more
17 than \$6,000. The HRLP is for low, very low, and extremely low- income persons who are
18 in need of repairs to their homes. The SHRG is for very low and extremely low-income
19 persons age sixty-two (62) or above or persons who are disabled and are in need of repairs
20 to their homes. The PROGRAMS coverage area includes all of unincorporated Riverside
21 County and the cities participating in the PROGRAMS within the COUNTY.
- 22 2. The home rehabilitation work will be minor rehabilitation to owner occupied single-family
23 conventional homes and mobile homes to address health and safety issues, handicap
24 accessibility, as well as meeting Housing Quality Standards (“HQS”).
- 25 3. Project scope, eligibility and approval are subject to the final approval of COUNTY.

1 III. CONTRACTOR REPRESENTATIONS AND WARRANTIES

2 A. CONTRACTOR represents, agrees and warrants that it is currently and validly licensed by the
3 California Contractors State License Board and will maintain such valid license, in good
4 standing for the term of this AGREEMENT, as more specifically described in Exhibit A, which
5 is attached and by this reference incorporated herein.

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

9 IV. INSURANCE

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

13 A. Worker's Compensation Insurance. If CONTRACTOR has employees as defined by the State
14 of California, CONTRACTOR shall maintain statutory Workers' Compensation Insurance
15 (Coverage A) as prescribed by the laws of the State of California. Policy shall include
16 Employers' Liability (Coverage B) including Occupational Disease with limits not less than
17 \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor
18 of the COUNTY, and, if applicable, to provide a Borrowed Servant/Alternate Employer
19 Endorsement.

20 B. Commercial General Liability Insurance. Commercial General Liability insurance coverage,
21 including but not limited to, premises liability, contractual liability, products and completed
22 operations liability, personal and advertising injury, and cross liability coverage, covering claims
23 which may arise from or out of CONTRACTOR's performance of its obligations hereunder.
24 Policy shall name the County of Riverside, its Agencies, Districts, Special Districts, and
25 Departments, their respective directors, officers, Board of Supervisors, employees, elected or

1 appointed officials, agents or representatives as Additional Insureds. Policy's limit of liability
2 shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance
3 contains a general aggregate limit, it shall apply separately to this AGREEMENT or be no less
4 than two (2) times the occurrence limit.

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

14 D. General Insurance Provisions - All lines.

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

1 a. Reduce or eliminate such self-insured retention as respects this AGREEMENT with the
2 COUNTY; or

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

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

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

- 1 5. If, during the term of this AGREEMENT or any extension thereof, there is a material
2 change in the scope of services; or, there is a material change in the equipment to be used in
3 the performance of the scope of work, which will add additional exposures (such as the use
4 of aircraft, watercraft, cranes, etc.); or, the term of this AGREEMENT, including any
5 extensions thereof exceeds (5) years, the COUNTY reserves the right to adjust the types of
6 insurance required under this AGREEMENT and the monetary limits' of liability for the
7 insurance coverage's currently required herein, if, in the COUNTY Risk Manager's
8 reasonable judgment, the amount or type of insurance carried by the CONTRACTOR has
9 become inadequate.
- 10 6. CONTRACTOR shall pass down the insurance obligations contained herein to all tiers of
11 subcontractors working under this AGREEMENT.
- 12 7. The insurance requirements contained in this AGREEMENT may be met with a program(s)
13 of self-insurance acceptable to the COUNTY.
- 14 8. CONTRACTOR agrees to notify COUNTY of any claim by a third party or any incident or
15 event that may give rise to a claim arising from the performance of this AGREEMENT.

16 V. HOLD HARMLESS AND INDEMNIFICATION

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

1 including, but not limited to attorney fees, cost of investigation, defense and settlements or
2 awards, the COUNTY, its Agencies, Districts, Special Districts and Departments, their
3 respective directors, officers, Board of Supervisors, elected and appointed officials, employees,
4 agents and representatives in any claim or action based upon such alleged acts or omissions.

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

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

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

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

20 VI. REQUIREMENTS FOR COMPETITIVE BID

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

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

25 C. Execution of this AGREEMENT does not guarantee any amount of work or any number of bid

1 solicitations.

2 VII. DUTY TO COOPERATE

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

6 VIII. STANDARD OF PERFORMANCE

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

1 IX. SCOPE OF PROJECTS

- 2 A. COUNTY will define the full project scope within a COUNTY work order to be delivered to
3 CONTRACTOR.
- 4 B. CONTRACTOR agrees not to work beyond the boundaries of the project scope identified
5 within the work order.

6 X. CHANGE ORDERS

- 7 A. CONTRACTOR must solicit all requests for change order in writing prior to commencement
8 of any work to be identified within the change order request.
- 9 B. COUNTY will consider all change orders requested in writing.
- 10 C. COUNTY will review the change order request and approve such request only for items
11 limited to those which were not reasonably foreseen and not included, in the original work
12 order. A change order is not appropriate to increase the project scope. The change order work
13 request must be a necessary amendment without which satisfactory completion of the project is
14 not feasible.
- 15 D. CONTRACTOR agrees not to incur any expenses for work described in the change order
16 request prior to written approval by COUNTY.
- 17 E. COUNTY will not be obligated to pay or reimburse any costs incurred by CONTRACTOR for
18 work within change order request prior to written approval by COUNTY.

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 Grant Program shall be completed within forty
3 (40) calendar days after the issuance of a Notice to Proceed letter.

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

6 **XII. METHOD OF PAYMENT FOR SERVICES**

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

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

12 C. CONTRACTOR agrees to submit to COUNTY all executed job cards or permits required by
13 overseeing jurisdiction.

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

20 E. Progress payments will not be allowed.

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

22 G. In the event the CONTRACTOR receives payment under this AGREEMENT which is later
23 disallowed by COUNTY for nonconformance with the terms of this AGREEMENT, the
24 CONTRACTOR shall promptly refund the disallowed amount to the COUNTY on request; or
25 at its option COUNTY may offset the amount disallowed from any payment due to the

1 CONTRACTOR.

2 XIII. DEFAULTS, REMEDIES AND TERMINATION

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

- 5 1. Failure of CONTRACTOR to perform or observe any material provisions or conditions of
6 this AGREEMENT;
- 7 2. Failure of CONTRACTOR to diligently pursue completion of the project scope;
- 8 3. Failure of CONTRACTOR to complete all work in a manner consistent with high industry
9 standards for the construction field in the State of California;
- 10 4. Failure of CONTRACTOR to validly provide and respond to the warranties and guarantees
11 required within this AGREEMENT;

12 B. Notice of Right to Cure:

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

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

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

1 D. Termination:

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

6 XIV. COMPLIANCE WITH PROGRAMS FUND SOURCE REQUIREMENTS

7 A. Applicable Regulations. CONTRACTOR acknowledges that the PROGRAM shall be funded
8 with CDBG funds as authorized by the Housing and Community Development Act of 1974.
9 This activity meets a National Objective by serving limited clientele as defined by 24 CFR
10 570.208(a)(2)(i) which must benefit persons who are of low and moderate income. By
11 executing this AGREEMENT, the CONTRACTOR agrees to comply with the following as they
12 may be applicable:

- 13 1. The Housing and Economic Recovery Act of 2008;
14 2. The Housing and Community Development Act of 1974, as amended;
15 3. Section 3 of the Housing and Urban Development Act of 1968, as amended.
16 4. To the greatest extent feasible, opportunities for training and employment arising from
17 PROGRAMS funds will be provided to low-income persons residing in the programs
18 service area.
19 5. To the greatest extent feasible, contracts for work to be performed in connection with
20 PROGRAMS funds will be awarded to business concerns that are located in or owned by
21 persons residing in the COUNTY.
22 6. Executive Order 11246, as amended by Executive Orders 11375 and 12086, and
23 implementing regulations at 41 CFR Chapter 60;
24 7. Executive Order 11063, as amended by Executive Order 12259, and implementing
25 regulations at 24 CFR Part 107;

- 1 8. Section 504 of the Rehabilitation Act of 1973 (PL 93-112), as amended, and implementing
2 regulations;
- 3 9. The Age Discrimination Act of 1975 (PL 94-135), as amended, and implementing
4 regulations;
- 5 10. The labor standard requirements as set forth in 24 CFR Part 570, Subpart K and HUD
6 regulations issued to implement such requirements;
- 7 11. The flood insurance purchase requirements of Section 102(a) of the Flood Disaster
8 Protection Act of 1973 (PL 93-234);
- 9 12. The regulations, policies, guidelines and requirements of 24 CFR Part 85 "Common Rule,"
10 OMB Circular Nos. A-87, A-21, A-110, A-122 and A-133 as they relate to the acceptance
11 and use of federal funds under the federally assigned programs;
- 12 13. Title VI of the Civil Rights Act of 1964 (PL 88-352) and implementing regulations issued
13 at 24 CFR Part 1;
- 14 14. Title VIII of the Civil Rights Act of 1968 (PL 90-284) as amended;
- 15 15. The lead-based paint requirements of 24 CFR Part 35 issued pursuant to the Lead-based
16 Paint Poisoning Prevention Act (42 USC 4801, et seq.);
- 17 16. Uniform Administration Requirements pursuant to 24 CFR 570.502;
- 18 17. CONTRACTOR shall carry out its activity pursuant to this AGREEMENT in compliance
19 with all federal laws and regulations described in Subpart K of Title 24 of the Code of
20 Federal Regulations, except that:
 - 21 a. CONTRACTOR does not assume the COUNTY'S environmental responsibilities
22 described at §570.604; and
 - 23 b. CONTRACTOR does not assume the COUNTY'S responsibility for initiating the
24 review process under the provisions of 24 CFR Part 52.

25 B. These projects are being financed with Community Development Block Grant funds from the

1 U.S. Department of Housing and Urban Development (24 CFR Part 570) and may be subject to
2 certain requirements including: compliance with *Section 3 (24 CFR Part 135)* Economic
3 Opportunities requirements; payment of Federal Davis-Bacon prevailing wages; Federal Labor
4 Standards Provisions (HUD 4010); Executive Order #11246; and others. Information pertaining
5 to the Federal requirements is on file with the County of Riverside Economic Development
6 Agency.

7 C. Prohibition Against Discrimination.

8 17. CONTRACTOR shall ensure against any form of discrimination in
9 employment and contracting on the grounds of race, color, national origin, or sex.

10 18. CONTRACTOR shall ensure that no person on the grounds of race, color, national origin,
11 or sex, be excluded from participation in, be denied the benefits, or be subjected to
12 discrimination under any program or activity funded in whole or in part by any of the
13 PROGRAMS.

14 D. Prohibition Against Conflict of Interest.

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

19 18. CONTRACTOR and its assigns, employees, agents, consultants, officers, and elected and
20 appointed officials shall become familiar with and shall comply with Policy Manual #A-11
21 regarding Conflict of Interest Coded, as more specifically described in Exhibit D, which is
22 attached and by this reference incorporated herein.

23 19. CONTRACTOR understands and agrees that no waiver or exception can be granted to the
24 prohibition against conflict of interest except upon written approval of HUD pursuant to 24
25 CFR 570.611(d). Any request by CONTRACTOR for an exception shall first be reviewed

1 by COUNTY to determine whether such request is appropriate for submission to HUD. In
2 determining whether such request is appropriate for submission to HUD, COUNTY will
3 consider the factors listed in 24 CFR 570.611(d)(2).

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

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

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

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

18 XIX. NOTICES. All notices, request, demands and other communication required or desired to be
19 served by either party upon the other shall be addressed to the respective parties as set forth
20 below or such other addresses as from time to time shall be designated by the respective parties
21 and shall be sufficient if sent by United States first class, certified mail, postage prepaid, or
22 express delivery service with a receipt showing the date of delivery.

23 COUNTY

24 Economic Development Agency
25 Attention: John Aguilar
5555 Arlington Avenue
Riverside, CA 92504

CONTRACTOR

<Company Name>
<Owner/President Name>
<Company Street Address>
<Company City, State, Zip>

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

6 XXI. DISPUTES.

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

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

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

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

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

25 XXV. AUTHORITY TO EXECUTE. The persons executing this Agreement or exhibits attached hereto

1 on behalf of the parties to this Agreement hereby warrant and represent that they have the
2 authority to execute this Agreement and warrant and represent that they have the authority to
3 bind the respective parties to this Agreement to the performance of its obligations hereunder.

4 (END OF AGREEMENT)

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

COUNTY:
COUNTY OF RIVERSIDE

CONTRACTOR:
(Insert Contractor Name)

By: _____
John Aguilar
Deputy Director

By: _____
(Name, Title)

APPROVED AS TO FORM:
PAMELA J. WALLS
County Counsel

By: _____
Annie T. Sahhar, Deputy

DRAFT
APPROVED COUNTY COUNSEL
BY: ANNIE T. SAHCHAR
DATE: 5/29/13

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 LOAN PROGRAM AND SENIOR HOME REPAIR
GRANT PROGRAM
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.