

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



ITEM: 3.7
(ID # 24732)

MEETING DATE:

Tuesday, June 25, 2024

FROM : EXECUTIVE OFFICE

SUBJECT: EXECUTIVE OFFICE: Approve the Grant Administration Services Agreement for the American Rescue Plan Act (ARPA) with the Kahlen Group, Inc. for the total aggregate amount of \$2,324,424 without seeking competitive bids for the period of July 1, 2024 to June 30, 2027, All Districts. [Total Cost: \$2,324,424; up to \$117,676 in additional compensation – 100% ARPA] (4/5 Vote Required)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the Grant Administration Services Agreement for the American Rescue Plan Act (ARPA) with the Kahlen Group, Inc. for the total aggregate amount of \$2,324,424 without seeking competitive bids for the period of July 1, 2024 to June 30, 2027 and authorize the Chair of the Board to sign the agreement on behalf of the County;
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, based on the availability of fiscal funding and as approved as to form by County Counsel to a) sign amendments that make modifications to the scope of services that stay within the intent of the agreement; and b) sign amendments to the compensation provisions that do not exceed the sum-total of \$117,626 of the Amendment; and
3. Authorize the Purchasing Agent to issue Purchase Orders for invoices received for goods/services rendered that do not exceed the Board of Supervisor's approved amount; and
4. Direct the Clerk of the Board to retain one (1) copy and return two (2) copies of the agreements to the Executive Office for distribution.

ACTION:Policy


Juan S. Perez, Chief Operating Officer 6/18/2024

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Spiegel, Washington, Perez and Gutierrez
Nays: None
Absent: None
Date: June 25, 2024
xc: E.O.

Kimberly A. Rector
Clerk of the Board

By: 
Deputy

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$0	\$759,000	\$2,324,424	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS: 100% American Rescue Plan Act (ARPA)			Budget Adjustment: No	
			For Fiscal Year: 24/25-26/27	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The County of Riverside received \$487 million in Coronavirus Aid, Relief, and Economic Security (CARES) Act funding from the U.S. Treasury to cover expenses necessary to respond to the ongoing public health and economic emergency related to the COVID-19 pandemic. CARES Act funding was used to cover necessary Public Health expenses, expenses that were not accounted for in the budget and were incurred between March 1, 2020, and through December 30, 2021. Appropriate and eligible disbursement of the CARES funding required compliance with the Department of Treasury issued guidelines as well as the Code of Federal Regulations 2 CFR 200.

On March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law by the President. The ARPA funds are intended to provide support to State, local, and Tribal governments responding to the impact of COVID-19 and in their efforts to contain COVID-19 in their communities and businesses. Riverside County's share of the ARPA funding is \$479 million which the County received in two installments, each in the amount of \$239,937,299. Funds must be obligated by December 31, 2024 and expended by December 31, 2026.

To ensure recipient's understanding of the eligibility criteria, the Department of the Treasury issued an ARPA Interim Final Rule which establishes reporting, eligibility, tracking and audit compliance requirements. This rule is periodically updated and clarified by the Department of the Treasury with additional information. The Treasury requires extensive reporting, documentation, and oversight of the use of ARPA funds, which are subject to various audit requirements.

The Kahlen Group, Inc. (TKG) is a Southern California based civil engineering firm specializing in the preparation and processing of government grants and funding applications, funding compliance, eligibility determinations, reimbursement requests, progress reporting, financial reporting, and audits oversight. TKG was contracted to first assist the County with compliance issues related to CARES and has become our

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consultant expert on the American Rescue Plan Act (ARPA) compliance requirements. TKG is also assisting the County in monitoring the scheduling progress of several dozen active ARPA projects to assure that they meet agreement and program time frames, as well as the appropriate draw-down of ARPA funds.

Impact on Residents and Businesses

There is no negative impact on residents and business in the County.

Continuing to utilize TKG will provide program continuity due to their extensive experience and understanding of the ARPA and CARES funding disbursements and audit requirements (OMB-A-133 Circular, Single Audit and Agency Audits) that has been developed over the last four years, in order to best position the County to meet ARPA extensive expenditure requirements.

Additional Fiscal Information

The full cost of the Kahlen Group, Inc agreement for FY24/25 to FY26/27 is \$2,324,424, which would use their services through the last fiscal year of the ARPA program cycle. The \$2,324,424 is eligible for full reimbursement under the ARPA guidelines.

Position	# of Positions	# of Hours	Hourly Rate	Weekly Rate	Annual Cost
Project Manager	1	8	\$125	\$1,000	\$52,000
Senior Compliance Specialist	1	20	\$100	\$2,000	\$104,000
Senior Compliance Specialist	1	20	\$100	\$2,000	\$104,000
Compliance Specialist	1	40	\$100	\$4,000	\$208,000
Compliance Specialist	1	40	\$100	\$4,000	\$208,000
Analyst I	1	10	\$75	\$750	\$39,000
Site Coordinator	1	10	\$75	\$750	\$39,000
Sub-consultant	1	50	\$100	-	\$5,000
Total FY24/25 Contract					\$759,000

Position	# of Positions	# of Hours	Hourly Rate	Weekly Rate	Annual Cost
Project Manager	1	8	\$128	\$1,024	\$53,248
Senior Compliance Specialist	1	20	\$102	\$2,040	\$106,080
Senior Compliance Specialist	1	20	\$102	\$2,040	\$106,080
Compliance Specialist	1	40	\$102	\$4,080	\$212,160
Compliance Specialist	1	40	\$102	\$4,080	\$212,160
Analyst I	1	10	\$77	\$770	\$40,040
Site Coordinator	1	10	\$77	\$770	\$40,040

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Sub-consultant	1	50	\$100	-	\$5,000
Total FY25/26 Contract					\$774,808

Position	# of Positions	# of Hours	Hourly Rate	Weekly Rate	Annual Cost
Project Manager	1	8	\$131	\$1,048	\$54,496
Senior Compliance Specialist	1	20	\$104	\$2,080	\$108,160
Senior Compliance Specialist	1	20	\$104	\$2,080	\$108,160
Compliance Specialist	1	40	\$104	\$4,160	\$216,320
Compliance Specialist	1	40	\$104	\$4,160	\$216,320
Analyst I	1	10	\$79	\$790	\$40,040
Site Coordinator	1	10	\$79	\$790	\$40,040
Sub-consultant	1	50	\$100	-	\$5,000
Total FY26/27 Contract					\$790,616

Contract History and Price Reasonableness

On May 26, 2020, and under the County of Riverside Emergency Procurement approval, the County of Riverside entered into an agreement with The Kahlen Group, Inc. in the amount of \$427,080, to provide grants administrative services to ensure compliance, proper eligibility determination and full maximization of the CARES funding. This agreement was ratified and approved by the Board of Supervisors on June 29, 2021 (Agenda Item # 3.8), and amended to also include the provision of support services for ARPA through subsequent amendments. On the same Agenda Item, the Board of Supervisors approved Amendment No. 1 to the agreement extending the period of performance through June 30, 2022, and increasing the agreement's maximum amount to \$834,760. On June 7, 2022, the Board of Supervisors approved Amendment No. 2 to the agreement (Agenda Item 3.4) extending the period of performance through June 30, 2023 in the amount of \$534,560. On May 23, 2023, the Board of Supervisors approved Amendment No. 3 to the agreement (Agenda Item 3.56) extending the period of performance through June 30, 2024 in the amount of \$620,576.

Extending the current agreement with the Kahlen Group, Inc. would ensure continuous uninterrupted compliance with ARPA Act requirements and therefore secure the County's eligibility for ARPA fund disbursements, as well as continuity for any remaining CARES audits. The Kahlen Group has successfully assisted the County to date in the various administrative procedures associated with the disbursement of these Federal funds including eligibility determination, reporting documentation and filing, audit assistance services, establishing compliance procedures and project files, and expenditure and schedule monitoring.

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ATTACHMENTS:

ATTACHMENT A: Single Source Justification - The Kahlen Group

ATTACHMENT B: Grant Administration Services Agreement - The Kahlen Group



Meghan Hahn, Director of Procurement

6/19/2024



Stephanie Perez, Deputy Director of Admin. Services

6/20/2024



Gregg Gu, Chief of Deputy County Counsel

6/20/2024

GRANT ADMINISTRATION SERVICES AGREEMENT

between

COUNTY OF RIVERSIDE

and

THE KAHLEN GROUP, INC.



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This Agreement, by and between THE KAHLEN GROUP, INC., a California corporation, (herein referred to as "CONTRACTOR"), and the COUNTY OF RIVERSIDE, a political subdivision of the State of California, (herein referred to as "COUNTY"). The parties agree as follows:

1. Description of Services

1.1 CONTRACTOR shall provide all services as outlined and specified in Exhibit A, Scope of Services, at the prices stated in Exhibit B, Payment Provisions.

1.2 CONTRACTOR represents that it has the skills, experience, and knowledge necessary to perform under this Agreement and the COUNTY relies upon this representation. CONTRACTOR shall perform to the satisfaction of the COUNTY and in conformance to and consistent with the highest standards of firms/professionals in the same discipline in the State of California.

1.3 CONTRACTOR affirms that it is fully apprised of all of the work to be performed under this Agreement; and the CONTRACTOR agrees it can properly perform this work at the prices stated in Exhibit B. CONTRACTOR is not to perform services or provide products outside of the Agreement.

1.4 Acceptance by the COUNTY of the CONTRACTOR's performance under this Agreement does not operate as a release of CONTRACTOR's responsibility for full compliance with the terms of this Agreement.

2. Period of Performance

2.1 This Agreement shall be effective July 1, 2024, and continues in effect to June 30, 2027, unless terminated earlier. CONTRACTOR shall commence performance July 1, 2024 and shall diligently and continuously perform thereafter. The Riverside County Board of Supervisors is the only authority that may obligate the County for a non-cancelable multi-year agreement.

3. Compensation

3.1 The COUNTY shall pay the CONTRACTOR for services performed in accordance with the terms of Exhibit B, Payment Provisions. Maximum payments by COUNTY to CONTRACTOR for the period of July 1, 2024 to June 30, 2025, shall not exceed seven hundred fifty-nine-thousand dollars (\$759,000) annually including all expenses. Maximum payments by COUNTY to CONTRACTOR for the period of July 1, 2025 to June 30, 2026, shall not exceed seven hundred seventy-four thousand and eight hundred and eight dollars (\$774,808) annually including all expenses. Maximum payments by COUNTY to CONTRACTOR for the period of July 1, 2026 to June 30, 2027, shall not exceed seven hundred ninety thousand and six hundred and sixteen dollars (\$790,616) annually including all expenses. The COUNTY is not responsible for any fees or costs incurred above or beyond the contracted amount and shall have no obligation to purchase

any specified amount of services or products. Unless otherwise specifically stated in Exhibit B, COUNTY shall not be responsible for payment of any of CONTRACTOR's expenses related to this Agreement.

3.2 No price increases will be permitted during the first year of this Agreement (If applicable). All price decreases (for example, if CONTRACTOR offers lower prices to another governmental entity) will automatically be extended to the COUNTY. The COUNTY requires written proof satisfactory to COUNTY of cost increases prior to any approved price adjustment. After the first year of the award, a minimum of 30-days advance notice in writing is required to be considered and approved by COUNTY. No retroactive price adjustments will be considered. Any price increases must be stated in a written amendment to this Agreement. The net dollar amount of profit will remain firm during the period of the Agreement. Annual increases shall not exceed the Consumer Price Index- All Consumers, All Items - Greater Los Angeles, Riverside and Orange County areas and be subject to satisfactory performance review by the COUNTY and approved (if needed) for budget funding by the Board of Supervisors.

3.3 CONTRACTOR shall be paid only in accordance with an invoice submitted to COUNTY by CONTRACTOR within fifteen (15) days from the last day of each calendar month, and COUNTY shall pay the invoice within thirty (30) working days from the date of receipt of the invoice. Payment shall be made to CONTRACTOR only after services have been rendered or delivery of materials or products, and acceptance has been made by COUNTY. Prepare invoices in duplicate. For this Agreement, send the original and duplicate copies of invoices to:

Riverside County Executive Office

Attn: Accounting

4080 Lemon St. 4th Floor

Riverside, CA. 92501

- a) Email invoices to EO-Accounting@rivco.org
- b) Each invoice shall contain a minimum of the following information: invoice number and date; remittance address; bill-to and ship-to addresses of ordering department/division; Agreement number (EOARC-000840); quantities; item descriptions, unit prices, extensions, sales/use tax if applicable, and an invoice total.
- c) Invoices shall be rendered monthly in arrears.

3.4 The COUNTY obligation for payment of this Agreement beyond the current fiscal year end is contingent upon and limited by the availability of COUNTY funding from which payment can be made, and invoices shall be rendered "monthly" in arrears. In the State of California, Government agencies are not

allowed to pay excess interest and late charges, per Government Codes, Section 926.10. No legal liability on the part of the COUNTY shall arise for payment beyond June 30 of each calendar year unless funds are made available for such payment. In the event that such funds are not forthcoming for any reason, COUNTY shall immediately notify CONTRACTOR in writing; and this Agreement shall be deemed terminated, have no further force, and effect.

4. Alteration or Changes to the Agreement

4.1 The Board of Supervisors, the COUNTY Purchasing Agent and/or his designee is the only authorized COUNTY representatives who may at any time, by written order, alter this Agreement. If any such alteration causes an increase or decrease in the cost of, or the time required for the performance under this Agreement, an equitable adjustment shall be made in the Agreement price or delivery schedule, or both, and the Agreement shall be modified by written amendment accordingly.

4.2 Any claim by the CONTRACTOR for additional payment related to this Agreement shall be made in writing by the CONTRACTOR within 30 days of when the CONTRACTOR has or should have notice of any actual or claimed change in the work, which results in additional and unanticipated cost to the CONTRACTOR. If the COUNTY Purchasing Agent decides that the facts provide sufficient justification, he may authorize additional payment to the CONTRACTOR pursuant to the claim. Nothing in this section shall excuse the CONTRACTOR from proceeding with performance of the Agreement even if there has been a change.

5. Termination

5.1. COUNTY may terminate this Agreement without cause upon 30 days written notice served upon the CONTRACTOR stating the extent and effective date of termination.

5.2 COUNTY may, upon five (5) days written notice terminate this Agreement for CONTRACTOR's default, if CONTRACTOR refuses or fails to comply with the terms of this Agreement or fails to make progress that may endanger performance and does not immediately cure such failure. In the event of such termination, the COUNTY may proceed with the work in any manner deemed proper by COUNTY.

5.3 After receipt of the notice of termination, CONTRACTOR shall:

- (a) Stop all work under this Agreement on the date specified in the notice of termination;
- and

- (b) Transfer to COUNTY and deliver in the manner as directed by COUNTY any materials, reports or other products, which, if the Agreement had been completed or continued, would have been required to be furnished to COUNTY.

5.4 If notice of termination or expiration includes a close-out period, CONTRACTOR agrees to:

- a) Provide, in a timely manner, all files and information deemed necessary by COUNTY for use in subsequent contracting activities without additional cost to the County or the new Contractor(s), and
- b) Cooperate with COUNTY during a transition close-out period to ensure orderly and seamless delivery of services to residents of Riverside County.

5.5 After termination, COUNTY shall make payment only for CONTRACTOR's performance up to the date of termination in accordance with this Agreement.

5.6 CONTRACTOR's rights under this Agreement shall terminate (except for fees accrued prior to the date of termination) upon dishonesty or a willful or material breach of this Agreement by CONTRACTOR; or in the event of CONTRACTOR's unwillingness or inability for any reason whatsoever to perform the terms of this Agreement. In such event, CONTRACTOR shall not be entitled to any further compensation under this Agreement.

5.7 If the Agreement is federally or State funded, CONTRACTOR cannot be debarred from the System for Award Management (SAM). CONTRACTOR must notify the COUNTY immediately of a debarment. Reference: System for Award Management (SAM) at <https://www.sam.gov> for Central Contractor Registry (CCR), Federal Agency Registration (Fedreg), Online Representations and Certifications Application, and Excluded Parties List System (EPLS)). Excluded Parties Listing System (EPLS) (<http://www.epls.gov>) (Executive Order 12549, 7 CFR Part 3017, 45 CFR Part 76, and 44 CFR Part 17). The System for Award Management (SAM) is the Official U.S. Government system that consolidated the capabilities of CCR/FedReg, ORCA, and EPLS.

5.8 The rights and remedies of COUNTY provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or this Agreement.

6. **Ownership/Use of Contract Materials and Products**

The CONTRACTOR agrees that all materials, reports or products in any form, including electronic, created by CONTRACTOR for which CONTRACTOR has been compensated by COUNTY pursuant to this Agreement shall be the sole property of the COUNTY. The material, reports or products may be used by the COUNTY for any purpose that the COUNTY deems to be appropriate, including, but not limit to, duplication

and/or distribution within the COUNTY or to third parties. CONTRACTOR agrees not to release or circulate in whole or part such materials, reports, or products without prior written authorization of the COUNTY.

7. Conduct of Contractor

7.1 The CONTRACTOR covenants that it presently has no interest, including, but not limited to, other projects or contracts, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with CONTRACTOR's performance under this Agreement. The CONTRACTOR further covenants that no person or subcontractor having any such interest shall be employed or retained by CONTRACTOR under this Agreement. The CONTRACTOR agrees to inform the COUNTY of all the CONTRACTOR's interests, if any, which are or may be perceived as incompatible with the COUNTY's interests.

7.2 The CONTRACTOR shall not, under circumstances which could be interpreted as an attempt to influence the recipient in the conduct of his/her duties, accept any gratuity or special favor from individuals or firms with whom the CONTRACTOR is doing business or proposing to do business, in accomplishing the work under this Agreement.

7.3 The CONTRACTOR or its employees shall not offer gifts, gratuity, favors, and entertainment directly or indirectly to COUNTY employees.

8. Inspection of Service; Quality Control/Assurance

8.1 All performance (which includes services, workmanship, materials, supplies and equipment furnished or utilized in the performance of this Agreement) shall be subject to inspection and test by the COUNTY or other regulatory agencies at all times. The CONTRACTOR shall provide adequate cooperation to any inspector or other COUNTY representative to permit him/her to determine the CONTRACTOR's conformity with the terms of this Agreement. If any services performed or products provided by CONTRACTOR are not in conformance with the terms of this Agreement, the COUNTY shall have the right to require the CONTRACTOR to perform the services or provide the products in conformance with the terms of the Agreement at no additional cost to the COUNTY. When the services to be performed or the products to be provided are of such nature that the difference cannot be corrected; the COUNTY shall have the right to: (1) require the CONTRACTOR immediately to take all necessary steps to ensure future performance in conformity with the terms of the Agreement; and/or (2) reduce the Agreement price to reflect the reduced value of the services performed or products provided. The COUNTY may also terminate this Agreement for default and charge to CONTRACTOR any costs incurred by the COUNTY because of the CONTRACTOR's failure to perform.

8.2 CONTRACTOR shall establish adequate procedures for self-monitoring and quality control and assurance to ensure proper performance under this Agreement; and shall permit a COUNTY representative or other regulatory official to monitor, assess, or evaluate CONTRACTOR's performance under this Agreement at any time, upon reasonable notice to the CONTRACTOR.

9. Independent Contractor/Employment Eligibility

9.1 The CONTRACTOR is, for purposes relating to this Agreement, an independent contractor and shall not be deemed an employee of the COUNTY. It is expressly understood and agreed that the CONTRACTOR (including its employees, agents, and subcontractors) shall in no event be entitled to any benefits to which COUNTY employees are entitled, including but not limited to overtime, any retirement benefits, worker's compensation benefits, and injury leave or other leave benefits. There shall be no employer-employee relationship between the parties; and CONTRACTOR shall hold COUNTY harmless from any and all claims that may be made against COUNTY based upon any contention by a third party that an employer-employee relationship exists by reason of this Agreement. It is further understood and agreed by the parties that CONTRACTOR in the performance of this Agreement is subject to the control or direction of COUNTY merely as to the results to be accomplished and not as to the means and methods for accomplishing the results.

9.2 CONTRACTOR warrants that it shall make its best effort to fully comply with all federal and state statutes and regulations regarding the employment of aliens and others and to ensure that employees performing work under this Agreement meet the citizenship or alien status requirement set forth in federal statutes and regulations. CONTRACTOR shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by federal or state statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, 8 U.S.C. §1324 et seq., as they currently exist and as they may be hereafter amended. CONTRACTOR shall retain all such documentation for all covered employees, for the period prescribed by the law.

9.3 Ineligible Person shall be any individual or entity who: Is currently excluded, suspended, debarred or otherwise ineligible to participate in the federal health care programs; or has been convicted of a criminal offense related to the provision of health care items or services and has not been reinstated in the federal health care programs after a period of exclusion, suspension, debarment, or ineligibility.

9.4 CONTRACTOR shall screen prospective Covered Individuals prior to hire or engagement. CONTRACTOR shall not hire or engage any Ineligible Person to provide services directly relative to this Agreement. CONTRACTOR shall screen all current Covered Individuals within sixty (60) days of execution of this Agreement to ensure that they have not become Ineligible Persons unless CONTRACTOR has

performed such screening on same Covered Individuals under a separate agreement with COUNTY within the past six (6) months. Covered Individuals shall be required to disclose to CONTRACTOR immediately any debarment, exclusion or other event that makes the Covered Individual an Ineligible Person. CONTRACTOR shall notify COUNTY within five (5) business days after it becomes aware if a Covered Individual providing services directly relative to this Agreement becomes debarred, excluded or otherwise becomes an Ineligible Person.

9.5 CONTRACTOR acknowledges that Ineligible Persons are precluded from providing federal and state funded health care services by contract with COUNTY in the event that they are currently sanctioned or excluded by a federal or state law enforcement regulatory or licensing agency. If CONTRACTOR becomes aware that a Covered Individual has become an Ineligible Person, CONTRACTOR shall remove such individual from responsibility for, or involvement with, COUNTY business operations related to this Agreement.

9.6 CONTRACTOR shall notify COUNTY within five (5) business days if a Covered Individual or entity is currently excluded, suspended or debarred, or is identified as such after being sanction screened. Such individual or entity shall be promptly removed from participating in any activity associated with this Agreement.

10. Subcontract for Work or Services

No contract shall be made by the CONTRACTOR with any other party for furnishing any of the work or services under this Agreement without the prior written approval of the COUNTY; but this provision shall not require the approval of contracts of employment between the CONTRACTOR and personnel assigned under this Agreement, or for parties named in the proposal and agreed to under this Agreement.

11. Disputes

11.1 The parties shall attempt to resolve any disputes amicably at the working level. If that is not successful, the dispute shall be referred to the senior management of the parties. Any dispute relating to this Agreement, which is not resolved by the parties, shall be decided by the COUNTY's Purchasing Department's Compliance Contract Officer who shall furnish the decision in writing. The decision of the COUNTY's Compliance Contract Officer shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary, or so grossly erroneous to imply bad faith. The CONTRACTOR shall proceed diligently with the performance of this Agreement pending the resolution of a dispute.

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

12. Licensing and Permits

CONTRACTOR shall comply with all State or other licensing requirements, including but not limited to the provisions of Chapter 9 of Division 3 of the Business and Professions Code. All licensing requirements shall be met at the time proposals are submitted to the COUNTY. CONTRACTOR warrants that it has all necessary permits, approvals, certificates, waivers and exemptions necessary for performance of this Agreement as required by the laws and regulations of the United States, the State of California, the County of Riverside and all other governmental agencies with jurisdiction, and shall maintain these throughout the term of this Agreement.

13. Use By Other Political Entities

The CONTRACTOR agrees to extend the same pricing, terms, and conditions as stated in this Agreement to each and every political entity, special district, and related non-profit entity in Riverside County. It is understood that other entities shall make purchases in their own name, make direct payment, and be liable directly to the CONTRACTOR; and COUNTY shall in no way be responsible to CONTRACTOR for other entities' purchases.

14. Non-Discrimination

CONTRACTOR shall not be discriminate in the provision of services, allocation of benefits, accommodation in facilities, or employment of personnel on the basis of ethnic group identification, race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status or sex in the performance of this Agreement; and, to the extent they shall be found to be applicable hereto, shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code 12900 et. seq), the Federal Civil Rights Act of 1964 (P.L. 88-352), the Americans with Disabilities Act of 1990 (42 U.S.C. S1210 et seq.) and all other applicable laws or regulations.

15. Records and Documents

CONTRACTOR shall make available, upon written request by any duly authorized Federal, State, or COUNTY agency, a copy of this Agreement and such books, documents and records as are necessary to certify the nature and extent of the CONTRACTOR's costs related to this Agreement. All such books, documents and records shall be maintained by CONTRACTOR for at least five years following termination

of this Agreement and be available for audit by the COUNTY. CONTRACTOR shall provide to the COUNTY reports and information related to this Agreement as requested by COUNTY.

16. Confidentiality

16.1 The CONTRACTOR shall not use for personal gain or make other improper use of privileged or confidential information which is acquired in connection with this Agreement. The term “privileged or confidential information” includes but is not limited to: unpublished or sensitive technological or scientific information; medical, personnel, or security records; anticipated material requirements or pricing/purchasing actions; COUNTY information or data which is not subject to public disclosure; COUNTY operational procedures; and knowledge of selection of contractors, subcontractors or suppliers in advance of official announcement.

16.2 The CONTRACTOR shall protect from unauthorized disclosure names and other identifying information concerning persons receiving services pursuant to this Agreement, except for general statistical information not identifying any person. The CONTRACTOR shall not use such information for any purpose other than carrying out the CONTRACTOR’s obligations under this Agreement. The CONTRACTOR shall promptly transmit to the COUNTY all third-party requests for disclosure of such information. The CONTRACTOR shall not disclose, except as otherwise specifically permitted by this Agreement or authorized in advance in writing by the COUNTY, any such information to anyone other than the COUNTY. For purposes of this paragraph, identity shall include, but not be limited to, name, identifying number, symbol, or other identifying particulars assigned to the individual, such as finger or voice print or a photograph.

16.3 The CONTRACTOR is subject to and shall operate in compliance with all relevant requirements contained in the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-191, enacted August 21, 1996, and the related laws and regulations promulgated subsequent thereto. Please refer to Attachment 1 of this agreement.

17. Administration/Contract Liaison

The COUNTY Purchasing Agent or designee shall administer this Agreement on behalf of the COUNTY. The Purchasing Department is to serve as the liaison with CONTRACTOR in connection with this Agreement.

18. Notices

All correspondence and notices required or contemplated by this Agreement shall be delivered to the respective parties at the addresses set forth below and are deemed submitted two days after their deposit in the United States mail, postage prepaid:

COUNTY OF RIVERSIDE

Executive Office
 Attn: Stephanie Persi
 4080 Lemon St. 4th Floor
 Riverside, CA 92501

CONTRACTOR

The Kahlen Group, Inc.
 Attn: Greg Kahlen
 1315 Corona Pointe Ct #202
 Corona, CA 92879

19. Force Majeure

If either party is unable to comply with any provision of this Agreement due to causes beyond its reasonable control, and which could not have been reasonably anticipated, such as acts of God, acts of war, civil disorders, or other similar acts, such party shall not be held liable for such failure to comply.

20. EDD Reporting Requirements

In order to comply with child support enforcement requirements of the State of California, the COUNTY may be required to submit a Report of Independent Contractor(s) form **DE 542** to the Employment Development Department. The CONTRACTOR agrees to furnish the required data and certifications to the COUNTY within 10 days of notification of award of Agreement when required by the EDD. This data will be transmitted to governmental agencies charged with the establishment and enforcement of child support orders. Failure of the CONTRACTOR to timely submit the data and/or certificates required may result in the contract being awarded to another contractor. In the event a contract has been issued, failure of the CONTRACTOR to comply with all federal and state reporting requirements for child support enforcement or to comply with all lawfully served Wage and Earnings Assignments Orders and Notices of Assignment shall constitute a material breach of Agreement. If CONTRACTOR has any questions concerning this reporting requirement, please call (916) 657-0529. CONTRACTOR should also contact its local Employment Tax Customer Service Office listed in the telephone directory in the State Government section under "Employment Development Department" or access their Internet site at www.edd.ca.gov.

21. Hold Harmless/Indemnification

21.1 CONTRACTOR shall indemnify and hold harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter

referred to as Indemnitees) from any liability, action, claim or damage whatsoever, based or asserted upon any services of CONTRACTOR, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature. CONTRACTOR shall defend the Indemnitees at its sole expense including all costs and fees (including, but not limited, to attorney fees, cost of investigation, defense and settlements or awards) in any claim or action based upon such acts, omissions or services.

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

21.3 CONTRACTOR'S obligation hereunder shall be satisfied when CONTRACTOR has provided to COUNTY the appropriate form of dismissal relieving COUNTY from any liability for the action or claim involved.

21.4 The specified insurance limits required in this Agreement shall in no way limit or circumscribe CONTRACTOR'S obligations to indemnify and hold harmless the Indemnitees herein from third party claims.

22. Insurance

22.1 Without limiting or diminishing the CONTRACTOR'S obligation to indemnify or hold the COUNTY harmless, CONTRACTOR shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this Agreement. As respects to the insurance section only, the COUNTY herein refers to the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents, or representatives as Additional Insureds.

A. Workers' Compensation:

If the CONTRACTOR has employees as defined by the State of California, the CONTRACTOR shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of The County of Riverside. Policy shall name the COUNTY as Additional Insured.

B. Commercial General Liability:

Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of CONTRACTOR'S performance of its obligations hereunder. Policy shall name the COUNTY as Additional Insured. Policy's limit of liability shall not be less than \$2,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the COUNTY as Additional Insured.

C. Vehicle Liability:

If vehicles or mobile equipment is used in the performance of the obligations under this Agreement, then CONTRACTOR shall maintain liability insurance for all owned, non-owned, or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the COUNTY as Additional Insureds.

D. Professional Liability

Contractor shall maintain Professional Liability Insurance providing coverage for the Contractor's performance of work included within this Agreement, with a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. If Contractor's Professional Liability Insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of this Agreement and CONTRACTOR shall purchase at his/her sole expense either 1) an Extended Reporting Endorsement (also, known as Tail Coverage); or 2) Prior Dates Coverage from new insurer with a retroactive date back to the date of, or prior to, the inception of this Agreement; or 3) demonstrate through Certificates of Insurance that CONTRACTOR has Maintained continuous coverage with the same or original insurer. Coverage provided under items; 1), 2), or 3) will continue as long as the law allows. Policy shall name the COUNTY as Additional Insured.

E. General Insurance Provisions - All lines:

1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

2) The CONTRACTOR must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence each such retention shall have the

prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention unacceptable to the COUNTY, and at the election of the County's Risk Manager, CONTRACTOR'S carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Agreement with the COUNTY, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

3) CONTRACTOR shall cause CONTRACTOR'S insurance carrier(s) to furnish the County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the County Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that a minimum of thirty (30) days written notice shall be given to the County of Riverside prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. If CONTRACTOR insurance carrier(s) policies does not meet the minimum notice requirements found herein, CONTRACTOR shall cause CONTRACTOR'S insurance carrier(s) to furnish a 30-day Notice of Cancellation Endorsement.

4) In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County of Riverside receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. CONTRACTOR shall not commence operations until the COUNTY has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier shall sign the original endorsements for each policy and the Certificate of Insurance.

5) It is understood and agreed to by the parties hereto that the CONTRACTOR'S insurance shall be construed as primary insurance, and the COUNTY'S insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.

6) If, during the term of this Agreement or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work; or, the term of this Agreement, including any extensions thereof, exceeds five (5) years; the COUNTY reserves the right to adjust the types of insurance and the monetary limits of liability required under

this Agreement, if in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by the CONTRACTOR has become inadequate.

7) CONTRACTOR shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.

8) The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to the COUNTY.

9) CONTRACTOR agrees to notify COUNTY of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

23. General

23.1 CONTRACTOR shall not delegate or assign any interest in this Agreement, whether by operation of law or otherwise, without the prior written consent of COUNTY. Any attempt to delegate or assign any interest herein shall be deemed void and of no force or effect.

23.2 Any waiver by COUNTY of any breach of any one or more of the terms of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term of this Agreement. Failure on the part of COUNTY to require exact, full, and complete compliance with any terms of this Agreement shall not be construed as in any manner changing the terms or preventing COUNTY from enforcement of the terms of this Agreement.

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

23.4 CONTRACTOR shall not provide partial delivery or shipment of services or products unless specifically stated in the Agreement.

23.5 CONTRACTOR shall not provide any services or products subject to any chattel mortgage or under a conditional sales contract or other agreement by which an interest is retained by a third party. The CONTRACTOR warrants that it has good title to all materials or products used by CONTRACTOR or provided to COUNTY pursuant to this Agreement, free from all liens, claims, or encumbrances.

23.6 Nothing in this Agreement shall prohibit the COUNTY from acquiring the same type or equivalent equipment, products, materials or services from other sources, when deemed by the COUNTY to be in its best interest. The COUNTY reserves the right to purchase more or less than the quantities specified in this Agreement.

23.7 The COUNTY agrees to cooperate with the CONTRACTOR in the CONTRACTOR's performance under this Agreement, including, if stated in the Agreement, providing the CONTRACTOR with reasonable facilities and timely access to COUNTY data, information, and personnel.

23.8 CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations. CONTRACTOR will comply with all applicable COUNTY policies and procedures. In the event that there is a conflict between the various laws or regulations that may apply, the CONTRACTOR shall comply with the more restrictive law or regulation.

23.9 CONTRACTOR shall comply with all air pollution control, water pollution, safety and health ordinances, statutes, or regulations, which apply to performance under this Agreement.

23.10 CONTRACTOR shall comply with all requirements of the Occupational Safety and Health Administration (OSHA) standards and codes as set forth by the U.S. Department of Labor and the State of California (Cal/OSHA).

23.11 This Agreement shall be governed by the laws of the State of California. Any legal action related to the performance or interpretation of this Agreement shall be filed only in the Superior Court of the State of California located in Riverside, California, and the parties waive any provision of law providing for a change of venue to another location. In the event any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

23.12 This Agreement, including any attachments or exhibits, constitutes the entire Agreement of the parties with respect to its subject matter and supersedes all prior and contemporaneous representations, proposals, discussions and communications, whether oral or in writing. This Agreement may be changed or modified only by a written amendment signed by authorized representatives of both parties.

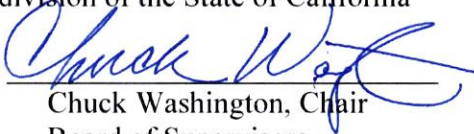
23.13 This Agreement may be executed in any number of counterparts, each of which will be an original, but all of which together will constitute one instrument. Each party to this Agreement agrees to the use of electronic signatures, such as digital signatures that meet the requirements of the California Uniform Electronic Transactions Act ((“CUETA”) Cal. Civ. Code §§ 1633.1 to 1633.17), for executing this Agreement. The parties further agree that the electronic signatures of the parties included in this Agreement are intended to authenticate this writing and to have the same force and effect as manual signatures. Electronic signature means an electronic sound, symbol, or process attached to or logically associated with an electronic record and executed or adopted by a person with the intent to sign the electronic record pursuant to the CUETA as amended from time to time. The CUETA authorizes use of an electronic signature for transactions and

contracts among parties in California, including a government agency. Digital signature means an electronic identifier, created by computer, intended by the party using it to have the same force and effect as the use of a manual signature, and shall be reasonably relied upon by the parties. For purposes of this section, a digital signature is a type of "electronic signature" as defined in subdivision (i) of Section 1633.2 of the Civil Code.

(Signature Page Follows)


IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Agreement.

COUNTY OF RIVERSIDE, a political subdivision of the State of California

By: 
Chuck Washington, Chair
Board of Supervisors

Dated: 6/25/2024

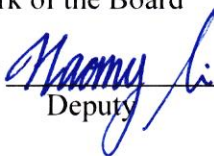
THE KAHLLEN GROUP, INC, a California corporation

By: 
Greg Kahlen
Chief Executive Officer

Dated: May 28, 2024

ATTEST:

Kimberly A Rector
Clerk of the Board

By: 
Deputy

APPROVED AS TO FORM:

Minh Tran
County Counsel

By: *Katherine Wilkins*
Katherine Wilkins,
Deputy County Counsel

JUN 25 2024 3.7

**EXHIBIT A
SCOPE OF SERVICES**

The CONTRACTOR shall assist the COUNTY's Executive Office team to perform the following:

1. Coronavirus Aid, Relief, and Economic Security (CARES) Act Grant Administration Services
 - 1.1 Continue to assist COUNTY with CARES Act closeout and audits, as necessary. The deadline for incurring costs for CARES Act funds was December 31, 2021.
2. American Recovery Plan Act (ARPA) Grant Administration Services
 - 2.1 Assist COUNTY with administration and distribution of funding from the U.S. Treasury for the American Recovery Plan Act (ARPA) in accordance with directives from Treasury. The latest guidelines from Treasury are the Coronavirus State and Local Fiscal Recovery Funds Final Rule received January 6, 2022, and the SLFRF Interim Final Rule regarding Emergency Relief from Natural Disasters and Surface Transportation and Title I Projects received August 2023
 - 2.2 Compile accurate and complete reimbursement requests in accordance with the ARPA funding agreement regarding invoicing, eligibility, and frequency requirements.
 - 2.3 Compile accurate and complete progress, completion, financial, and funding reports and Final Budget Approval submittals in accordance with the ARPA reporting frequency and requirements.
 - 2.4 Prepare expenditure tracking reports by COUNTY Department and update on a monthly basis.
 - 2.5 Ensure COUNTY's compliance with the agreement terms and conditions, including, if necessary, American Iron and Steel and Disadvantaged Business Enterprise requirements.
 - 2.6 Provide summaries and analysis of compliance guidelines and any new funding legislation.
 - 2.7 Provide monthly written and oral progress reports and financial updates to the Executive Office Senior Executive Staff. Written and oral reports will be provided by the TKG Project Manager, Greg Kahlen, or Senior Compliance Specialist, Michelle Mayorga.
 - 2.8 Communicate with all external and internal agencies that have received ARPA funding from the COUNTY for infrastructure projects and prepare and update their construction schedules on a monthly basis. Schedules to be in-depth and include all phases of design and construction. Major milestones to be tracked in detail to ensure all ARPA infrastructure funds are obligated by December 31, 2024, and expended by December 31, 2026.
 - 2.9 Make monthly visits to construction sites for projects that have received ARPA funding and compile status reports.
 - 2.10 Coordinate and participate in funding meetings as necessary to implement funding guidance and compliance.
 - 2.11 Provide any information requested by the U.S. Treasury as part of any audits they may require.
 - 2.12 Track funds received by COUNTY from the Local Assistance and Tribal Consistency Fund (LATCF) to ensure compliance with the Guidelines and report to the Executive office Senior Executive Staff. Provide annual report to the US Treasury.
 - 2.13 Reconcile expenditure tracking reports with the Accounting team; review and reconcile SEFA reports.
 - 2.14 Other tasks assigned by the COUNTY's Executive Office staff.

**EXHIBIT B
PAYMENT PROVISIONS**

1. SERVICES FOR FISCAL YEAR 2024/2025 NOT TO EXCEED \$759,000.

Position*	# of Positions	# of Hours	Hourly Rate	Weekly Rate	1 Year - 52 weeks Total
Project Manager – Greg Kahlen	1	8	\$125	\$1,000	\$52,000
Senior Compliance Specialist – Michelle Mayorga	1	20	\$100	\$2,000	\$104,000
Senior Compliance Specialist – William Tharalson	1	20	\$100	\$2,000	\$104,000
Compliance Specialist – Liliana Silva	1	40	\$100	\$4,000	\$208,000
Compliance Specialist – Morena Peters	1	40	\$100	\$4,000	\$208,000
Analyst 1 – Allyson Neas	1	10	\$75	\$750	\$39,000
Site Coordinator – Shane Moody	1	10	\$75	\$750	\$39,000
Subconsultant – Angie Johnson	1	50	\$100	–	\$5,000
Total Annual Contract					\$759,000

*The Kahlen Group reserves the right to substitute individuals on this list as necessary.

2. SERVICES FOR FISCAL YEAR 2025/2026 NOT TO EXCEED \$774,808.

Position*	# of Positions	# of Hours	Hourly Rate	Weekly Rate	1 Year - 52 weeks Total
Project Manager – Greg Kahlen	1	8	\$128	\$1,024	\$53,248
Senior Compliance Specialist – Michelle Mayorga	1	20	\$102	\$2,040	\$106,080
Senior Compliance Specialist – William Tharalson	1	20	\$102	\$2,040	\$106,080
Compliance Specialist – Liliana Silva	1	40	\$102	\$4,080	\$212,160
Compliance Specialist – Morena Peters	1	40	\$102	\$4,080	\$212,160
Analyst 1 – Allyson Neas	1	10	\$77	\$770	\$40,040
Site Coordinator – Shane Moody	1	10	\$77	\$770	\$40,040
Subconsultant – Angie Johnson	1	50	\$100	–	\$5,000
Total Annual Contract					\$774,808

*The Kahlen Group reserves the right to substitute individuals on this list as necessary.

3. SERVICES FOR FISCAL YEAR 2026/2027 NOT TO EXCEED \$790,616.

Position*	# of Positions	# of Hours	Hourly Rate	Weekly Rate	1 Year - 52 weeks Total
Project Manager – Greg Kahlen	1	8	\$131	\$1,048	\$54,496
Senior Compliance Specialist – Michelle Mayorga	1	20	\$104	\$2,080	\$108,160
Senior Compliance Specialist – William Tharalson	1	20	\$104	\$2,080	\$108,160
Compliance Specialist – Liliana Silva	1	40	\$104	\$4,160	\$216,320
Compliance Specialist – Morena Peters	1	40	\$104	\$4,160	\$216,320
Analyst 1 – Allyson Neas	1	10	\$79	\$790	\$40,040
Site Coordinator – Shane Moody	1	10	\$79	\$790	\$40,040
Subconsultant – Angie Johnson	1	50	\$100	–	\$5,000
Total Annual Contract					\$790,616

*The Kahlen Group reserves the right to substitute individuals on this list as necessary.

1. COUNTY shall pay the CONTRACTOR only for services performed in accordance with those described in Exhibit A, Scope of Services. CONTRACTOR shall not charge COUNTY for any travel time to in-person meetings.
2. All fees shall be inclusive, including all expenses and travel.
3. DISSALLOWANCE: In the event CONTRACTOR receives payment for services under this Agreement which is later disallowed for nonconformance with the terms and conditions herein by COUNTY, CONTRACTOR shall be notified by COUNTY and the disallowed amount shall be reimbursed to COUNTY in the next subsequent payment.









The Kahlen Group Agreement

Final Audit Report

2024-05-28

Created:	2024-05-28
By:	Shannon Leung (sleung@rivco.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAMI8A80S1v-bw2wZKt4oJsy7Z17bR3IY6

"The Kahlen Group Agreement" History

-  Document created by Shannon Leung (sleung@rivco.org)
2024-05-28 - 3:19:52 PM GMT
-  Document emailed to Greg Kahlen (greg@kahlengroup.com) for signature
2024-05-28 - 3:23:23 PM GMT
-  Email viewed by Greg Kahlen (greg@kahlengroup.com)
2024-05-28 - 3:50:43 PM GMT
-  Document e-signed by Greg Kahlen (greg@kahlengroup.com)
Signature Date: 2024-05-28 - 4:30:04 PM GMT - Time Source: server
-  Document emailed to Katherine Wilkins (kawilkins@rivco.org) for signature
2024-05-28 - 4:30:07 PM GMT
-  Email viewed by Katherine Wilkins (kawilkins@rivco.org)
2024-05-28 - 4:40:49 PM GMT
-  Document e-signed by Katherine Wilkins (kawilkins@rivco.org)
Signature Date: 2024-05-28 - 4:41:39 PM GMT - Time Source: server
-  Agreement completed.
2024-05-28 - 4:41:39 PM GMT



EXECUTIVE OFFICE

JEFFREY A. VAN WAGENEN, JR.
COUNTY EXECUTIVE OFFICER

JUAN C. PEREZ
CHIEF OPERATING OFFICER

DAVE ROGERS
CHIEF ADMINISTRATIVE OFFICER

KIMBERLY BRITT, ASSISTANT CEO
HUMAN SERVICES

SARAH FRANCO, ASSISTANT CEO
INTERNAL SERVICES

CHARISSA LEACH, ASSISTANT CEO
PUBLIC WORKS & COMMUNITY SERVICES

MICHELLE PARADISE, ASSISTANT CEO
PUBLIC SAFETY

ZAREH SARRAFIAN, ASSISTANT CEO
HEALTH SYSTEMS

Date: 5/16/24

From: Douglas Ordonez, Principal Management Analyst

To: Board of Supervisors/Purchasing Agent

Via: Andrew Johnson 951.955.8735

Subject: Single Source Procurement; Request for ARPA grants administration services

The below information is provided in support of my Department requesting approval for a sole or single source. (*Outside of a duly declared emergency, the time to develop a statement of work or specifications is not in itself justification for sole or single source.*) **Note:** Once signed by the Department Head and PCS (Signature Line below) Email completed SSJ to: psources@rivco.org.

1. **Supplier being requested: The Kahlen Group**

2. **Vendor ID:** 0000237499

3. **Single Source** **Sole Source**

(*Single Source - is a purchase of a commodity or service without obtaining competitive bids although more than one source is available*)

(*Sole Source - is a purchase of a commodity or service that is proprietary or no other vendor is qualified or willing to meet the county specified requirements*)

4. **Have you previously requested and received approval for a sole or single source request for this vendor for your department?** (*If yes, please provide the approved sole or single source number.*)

Yes

No

SSJ# 23-183

4a. **Was the request approved for a different project?**

Yes

No

5. **Supply/Service being requested:**

(*If this request is for professional services, attach the service agreement to this sole source request. The Purchasing Agent, or designee, is the signing authority for agreements unless the service is exempted by Ordinance 459, Board delegated authority or by State law. All insurance requirements must be met prior to work commencement. See the Risk Management website for vendor insurance requirements.*)

The Kahlen Group will perform American Rescue Plan Act (ARPA) grants administration services.

6. Unique features of the supply/service being requested from this supplier. *(If this sole source request is due to proprietary software or machinery, or hardware, provide a supporting letter from the manufacturer. If this is a single source request provide an explanation of how this provides the best value for the County by selecting this vendor.)*

This single sourcing justification is foundational on the nature and the timing of the effort associated with the administration of American Rescue Plan Act funding. In May 17, 2021, the County received \$239M in American Rescue Plan Act funding for the continuation of the COVID-19 mitigation efforts. During Fiscal Years 2021, 2022, 2023, and 2024, The Kahlen Group (TKG) has established solid working relationships with the Executive Office, County departments, Single Auditors and Agency auditors as they supported the administration and compliance of the CARES funding received in April of 2020 as well as American Rescue Plan Act funding. They already have an understating of the internal process for grants administration and expectations. The Kahlen Group is familiar with both CARES and ARPA Guidelines, and now have multiple years of experience in applying eligibility, compliance, and reporting requirements to Riverside County needs. In additional, their main office is located within the county in the city of Corona which ensures their immediate availability for emergency meetings and / or to support with deadlines. Staff is proposing a contract amendment for the Kahlen Group for their continuation of the administration and support of the ARPA funding administration (funding expires December of 2026).

7. Reasons why my department requires these unique features from the vendor and what benefit will accrue to the county:

TKG staff has over 40 years of experience in grants funding administration including but not limited to; eligibility determination, progress reporting, reimbursement requests, compliance terms and conditions and various audits oversight. TKG also has substantial experience in working on Drinking Water State Revolving Fund (DWSRF) & Clean Water State Revolving Fund (CWSRF), both of which are referenced as key compliance criteria for the infrastructure ARPA funding. ARPA guidelines include funding for infrastructure projects that align with EPA guidelines. TKG has extensive experience in working with the SWRCB on alignment of water, wastewater, and reclaimed water projects to conform to Safe Drinking Water and Clean Water SRF programs. Over the last four years, TKG staff has participated in both the development of the CARES and ARPA administration process including the reimbursement requests compilation and validation, compliance workflows, progress reporting and audits oversight. TKG also developed familiarity with County departments, related fiscal staff, County processes and mastered the process of validation of county reports (Simpler & Peoplesoft) for purposes of reimbursement requests validation and audits preparation, There would not be a "learning curve" for TKG in coordinating with County staff for ARPA funding disbursements and audit requirements (OMB-A-133 Circular, Single Audit and Agency Audits) due to the experience and understanding that they have developed over the last four years and which they will continue to apply to the ARPA funding administration process.

8. Period of Performance: From: 7/1/2024 to 6/30/2027
(total number of years)

Is this an annually renewable contract? No Yes
Is this a fixed-term agreement: No Yes

(A fixed-term agreement is set for a specific amount of time; it is not renewed annually. Ensure multi-year fixed-term agreements include a cancellation, non-appropriation of funds, or refund clause. If there is no clause(s) to that effect, then the agreement must be submitted to the Board for approval. No exemptions shall apply.)

9. Identify all costs for this requested purchase. In addition, please include any single or sole source amounts previously approved and related to this project and vendor in the section designated

below for current and future fiscal years. You do not need to include previous fiscal year amounts. If approval is for multiple years, ongoing costs must be identified below. If annual increases apply to ongoing costs such as CPI or other contract increases, provide the estimated annual cost for each consecutive year. If the annual increase may exceed the Purchasing Agent’s authority, Board approval must be obtained. (Note: ongoing costs may include but are not limited to subscriptions, licenses, maintenance, support, etc.)

Description:	FY25	FY26	FY27	Total
One-time Costs:				
Grant Administration Services	\$759,000.00	\$774,808.00	\$790,616.00	\$2,324,424.00
Total Costs	\$759,000.00	\$774,808.00	\$790,616.00	\$2,324,424.00

Note: Insert additional rows as needed

10. Price Reasonableness: (Explain why this price is reasonable or cost effective – were you provided government discounted pricing? Is this rate/fee comparable to industry standards?)

The Kahlen Group fee schedule reflects \$75 per hour for an Analyst, \$100 per hour for a Compliance Specialist, and \$125 per hour for a Project Manager. The hourly rates appear to be reasonably competitive as they continue to be below the rates established by other comparable firms when this agreement was established even with the roughly 3% increase over the last year proportionally due to adjustments in our current economy. For Example, Dudek’s fee schedule reflects \$275 per hour for a Project Manager and \$185 per hour for a Support Analyst/Engineer. Other Civil Engineering firms (offering the same services/ scope) such as Psomas, Mead & Hunt, and HOR currently charge an average of over \$200 per hour for a Project Manager and an average of over \$120 per hour for other support staff such as Analysts, Engineers, and Editors. The above referenced firm’s primary area of specialty is Civil Engineering and while they do offer grants administration services, it does not appear that they have the length and extent of experience to that of TKG. In summary, The Kahlen Group’s cost to perform the scope of work continues to be the best rate offered to the County as well as bringing in another consultant would reduce efficiencies and delay cost recovery of ARPA funding.

11. Projected Board of Supervisor Date (if applicable): 6/25/24

(Draft Form 11s, service agreement and or quotes must accompany the sole source request for Purchasing Agent approval.)

<i>Stephanie Persi</i>	Stephanie Persi	5/16/24
Department Head Signature (or designee)	Print Name	Date

The section below is to be completed by the Purchasing Agent or designee.

Purchasing Department Comments:

Approve

Approve with Condition/s

Disapprove

Condition/s:

By signing above, department attests all legal and contractual requirements have been met by the selected supplier.

Not to exceed:

One-time \$ _____

Annual Amount \$ _____ / per fiscal year through _____ (date)

(If Annual Amount Varies each FY)

FY 24/25 : \$ 759,000

FY 25/26 : \$ 774,808

FY 26/27 : \$ 790,616

FY _____ : \$ _____

FY _____ : \$ _____

Reviewed by Procurement Contract Specialist (PCS):

Signature: Andrew Johnson

Date: 5/20/24

Melissa Curtis

5/20/2024

24-239

Purchasing Agent

Date

Approval Number

(Reference on Purchasing Documents)

Note: This document replaces the previous SSJ signed on 5/6/2024 due to changes in the compensation total.