

AGENDA

STANISLAUS COUNTY REDEVELOPMENT AGENCY

1010 10TH STREET, BASEMENT LEVEL, MODESTO

June 26, 2007

9:30 A.M.

I. CALL TO ORDER

II. CONSENT CALENDAR (Those items marked with an *)

III. APPROVAL OF MINUTES

- * A. Minutes of May 15, 2007.

IV. CORRESPONDENCE

- A. Letter dated June 14, 2007 from Nancy C. Miller, Miller, Owen & Trost.

V. PUBLIC HEARINGS

- A. None.

VI. AGENDA ITEMS

- * A. Approval of an Agreement with the Housing Authority of Stanislaus County to Continue the Sewer Connection Program with \$50,000 from the FY 2007-08 Budget and Consider Reallocating \$290,000 of Unexpended Housing Set-Aside Funds to the Program.
- * B. Approval of an Agreement with the Housing Authority of Stanislaus County to Continue the Major Home Repair Program with \$44,500 the Balance of Unexpended Funds from the FY 2006-07 Contract and \$50,000 from the FY 2007-08 Budget.
- * C. Approval of an Agreement with the Housing Authority of Stanislaus County to Continue the Minor Home Repair Program with \$50,000 from the FY 2007-08 Budget - Housing Set-Aside Funds and Authorize the Executive Director to Sign and Negotiate on Behalf of the Agency.
- D. Approval of a Memorandum of Understanding between the Keyes Community Services District and the Agency Regarding the Relocation of Sanitary Sewer and Water Lines as Part of the Agency's Keyes Improvement Project and Authorize the Executive Director to Sign and Negotiate on Behalf of the Agency.

VII. PUBLIC FORUM

VIII. ADJOURNMENT

MINUTES

STANISLAUS COUNTY REDEVELOPMENT AGENCY

MAY 15, 2007

The Stanislaus County Redevelopment Agency met in the Joint Chambers at 10th Street Place, Basement Level, 1010 10th Street, Modesto, California.

I. CALL TO ORDER

The meeting was called to order at 7:18 p.m.

Members present: William O'Brien, Jim DeMartini, Jeff Grover, Tom Mayfield and Dick Monteith.

Members absent: None

Staff present: Ron Freitas, Executive Director
Ana Rocha, Associate Planner

II. CONSENT CALENDAR (*)

Upon motion by Agency members Monteith/Grover, Agency unanimously approved the Consent Calendar.

III. APPROVAL OF MINUTES

*A. Upon motion by Agency members Monteith/Grover, the Agency approved the minutes of March 6, 2007.

IV. CORRESPONDENCE

A. None.

V. PUBLIC HEARINGS

A. None.

VI. AGENDA ITEMS

* A. Authorized the repayment of a May 2006 Stanislaus County loan principle of \$400,000 and interest accrued thereon; authorized the application of a loan in the amount of \$400,000 subject to the terms and conditions set forth in the promissory note between the Redevelopment Agency and the Stanislaus County Capital Improvements Financial Authority dated 9/24/90; and directed the Auditor-Controller to accept repayment and allocate \$400,000 from the General Fund to the Redevelopment Agency secured by the Promissory Note described in Recommendation No. 2.

B. Upon motion by Monteith/Grover, the Agency authorized the expenditure of \$ 60,000 of Housing Set-Aside funds for the purchase of one (1) single family residential lot in the Airport Neighborhood.

- C. Upon motion by DeMartini/Grover, the Agency authorized a loan of \$26,000 to the Crows Landing Community Services District for financial assistance in the repair of the area water system; and, authorized the Executive Director to sign the loan agreement on behalf of the Agency.
- D. Upon motion by Grover/Mayfield, the Agency adopted the Stanislaus County Redevelopment Agency Proposed FY2007/08 Budget of \$4 million and authorized staff to take all necessary steps to implement the 2007/08 Budget.

VII. PUBLIC FORUM

- A. No persons spoke.

VIII. ADJOURNMENT

The meeting adjourned at 7:26 p.m.



Ron E. Freitas
Executive Director

MILLER, OWEN & TROST

A PROFESSIONAL CORPORATION

PAUL J. CHRISMAN
MATINA R. KOLOKOTRONIS
CHRISTIANE E. LAYTON
MADELINE E. MILLER
NANCY C. MILLER
WILLIAM L. OWEN
KIRK E. TROST

ATTORNEYS AT LAW
428 J STREET, SUITE 400
SACRAMENTO, CALIFORNIA 95814-2394

TELEPHONE (916) 447-7933
FACSIMILE (916) 447-5195

June 14, 2007

Ana Rocha
County of Stanislaus
Redevelopment Agency
1010 10th Street, Suite 3400
Modesto, CA 95354

Via U.S. Mail

Re: *Legal Services for County of Stanislaus*

Dear  Ana Rocha:

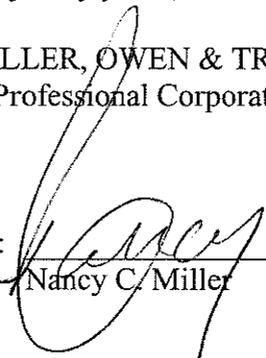
The purpose of this letter is to give you advance written notice of a modification to our hourly rates. The new hourly rates are shown on the attached rate schedule and will be effective August 1, 2007.

I hope you will appreciate that we make every effort to keep our rates as low as possible. We also exercise great discretion in our billing practices, and we make every effort to provide the highest quality legal services as cost effectively as possible. We hope that you will contact us if you ever have concerns regarding any of our invoices.

We enjoy working with you and please contact us if you have any questions regarding these changes.

Very truly yours,

MILLER, OWEN & TROST
A Professional Corporation

By: 

Nancy C. Miller

NCM:edf

Enclosure

Exhibit A

RATE SCHEDULE

Nancy C. Miller	\$245.00
Kirk E. Trost	\$245.00
<i>William L. Owen</i>	\$245.00
Paul J. Chrisman	\$205.00
Christiane E. Layton	\$205.00
Madeline E. Miller	\$190.00
Jennifer V. Gore	\$165.00
Law Clerks	\$140.00
Paralegals	\$85.00

SITTING AS THE REDEVELOPMENT AGENCY
THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Redevelopment Agency

BOARD AGENDA # 9:30 a.m *VI-A

Urgent

Routine

AGENDA DATE June 26, 2007

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval of an Agreement with the Housing Authority of Stanislaus County to Continue the Sewer Connection Program with \$50,000 from the FY 2007-08 Budget and Consider Reallocating \$290,000 of Unexpended Housing Set-Aside Funds to the Program

STAFF RECOMMENDATIONS:

1. Approve the Agreement with the Housing Authority of Stanislaus County to continue the Sewer Connection Program.
2. Allocate \$290,000 from prior year Housing Set-Aside fund; and, \$50,000 from the FY 2007-08 Budget.
3. Authorize the Executive Director to sign and negotiate on behalf of the Agency.

FISCAL IMPACT:

There are funds available in the Housing Set-Aside account.

BOARD ACTION AS FOLLOWS:

No. 2007-520

On motion of Supervisor Grover, Seconded by Supervisor Monteith
and approved by the following vote,

Ayes: Supervisors: Mayfield, Grover, Monteith, DeMartini, and Chairman O'Brien

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:



ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

Approval of an Agreement with the Housing Authority of Stanislaus County to Continue the Sewer Connection Program with \$50,000 from the FY 2007-08 Budget and Consider Reallocating \$250,000 of Unexpended Housing Set-Aside Funds to the Program

Page 2

DISCUSSION:

Since 2003, the Sewer Connection Program has facilitated the rehabilitation efforts of over one hundred dwellings. The Sewer Connection Program is a necessary activity that provides households an opportunity for assistance to connect to the sewer system after the sewer lateral becomes available. This program assists with the elimination of conditions that may threaten the health and safety of the residents in the households.

This program has been historically funded from three (3) sources: the Redevelopment Housing Set-Aside fund, the Community Development Block Grant Program (CDBG), and the HOME Program.

In tandem with the Housing Set-Aside funding of \$340,000 (\$290,000; unexpended Housing Set-Aside funds and \$50,000; FY 2007-08 budget) , an additional \$160,000 from the FY 2007-08 HOME Program budget has been allocated to the program. The total of \$500,000 is anticipated to assist approximately fifty (50) units during the upcoming fiscal year. The overall number of units assisted may vary due to capacity charge/sewer connection fee changes from the City of Modesto that will increase from \$1,200 to an estimated \$4,876. An estimated \$10,000 per unit will be the cost to connect to the City of Modesto sewer system. The per unit cost includes fees, demolition of the previous septic system and labor related costs for the connection.

The Housing Authority of Stanislaus County currently and successfully administers the Sewer Connection Program, Minor Home Repair Program and the Major Housing Rehabilitation Program funded from the same resources. The Authority has the staff and capacity to administer the Sewer Connection on behalf of the Agency. The Agreement is attached.

POLICY ISSUES:

A number of priorities will be served by this agreement with the Housing Authority: A Safe Community; A Healthy Community; A Strong Local Economy; and Effective Partnerships.

STAFFING IMPACT:

No additional staff is necessary.

ATTACHMENT:

1. Agreement

**COUNTY OF STANISLAUS
STANDARD AGREEMENT**

Agreement Number

1. This Agreement is entered into between the Stanislaus County Planning and Community Development/Stanislaus Redevelopment Agency and the following named Contractor Housing Authority of Stanislaus County

(If other than an individual, state whether a corporation, partnership, etc.): Corporation

2. The term of this Agreement is: One year: July 1st, 2007 until June 30th, 2008

3. The maximum amount of payment based on X lump sum, or time and materials is \$500,000.00

4. The parties agree to comply with the terms and conditions of the following exhibits, which by this reference, are made a part of the Agreement:

- (a) Exhibit A -- Standard Contract Conditions (LF 4.01)
- (b) Exhibit B -- Scope of Work
- (c) ~~Exhibit C -- Special Conditions~~
- (d) ~~Other (e.g. Contractor's Proposal)~~

IN WITNESS WHEREOF, the parties have executed this Agreement on

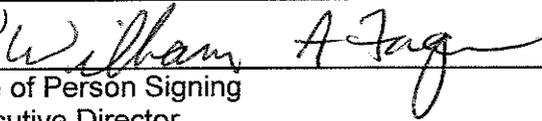
6/26/07
(Date)

CONTRACTOR

Contractor's Name

Housing Authority of Stanislaus County

By (Authorized Signature)



Printed Name and Title of Person Signing

William A. Fagan, Executive Director

Mailing Address

P.O. Box 581918

Modesto, CA 95358-0033

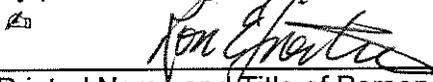
Taxpayer Identification/Social Security No.

COUNTY OF STANISLAUS

Department Name

Stanislaus County Planning and Community Development/Stanislaus Redevelopment Agency

By (Authorized Signature)



Printed Name and Title of Person Signing

Ron E. Freitas, Director of Planning and Community Development/Executive Director

Mailing Address

1010 10th Street, Suite 3400, Modesto, CA 95354

Approved for Content:


James S. Duval, Deputy Director

Approved for Form:


John P. Doering, Assistant County Counsel

EXHIBIT A
STANDARD CONTRACT CONDITIONS
(Long Form 4/5/01)

1. Description of Work.

1.1 Work To Be Performed. The Contractor shall provide work or services as described in the Scope of Work and, if the Contractor has submitted a work proposal, the Contractor shall provide work or services in accordance with that proposal, which shall be attached to and, by this reference, made a part of the Agreement. In the event that any provision or description of work in the Contractor's proposal conflicts or is inconsistent with any similar provision or description of work described in the Scope of Work, the Scope of Work shall prevail, control or otherwise have precedence.

1.2 Contract Manager. Each party shall designate in writing a contract manager who shall be the day-to-day representative for administration of this agreement, and, except as otherwise specifically provided, shall have full authority to act on behalf of the respective party with respect to this Agreement. The County Department Head, or designee, or the Board of Supervisors, may also perform any and all acts which could be performed by the contract manager under this Agreement.

1.3 Work Schedule. A work schedule for the hours and times for completion of said services and work shall be prepared and implemented by the Contractor; provided, however, that such schedule is subject to review by and concurrence of the County.

1.4 Work Product. All documents, drawings and written work product prepared or produced by the Contractor under this Agreement, including without limitation electronic data files, are the property of the Contractor; provided, however, the County shall have the right to reproduce, publish and use all such work, or any part thereof, in any manner and for any purposes whatsoever and to authorize others to do so. If any such work is copyrightable, the Contractor may copyright the same, except that, as to any work which is copyrighted by the Contractor, the County reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, and use such work, or any part thereof, and to authorize others to do so.

1.5 Compliance with Laws. Services and work provided by the Contractor will be performed in a timely manner in compliance with the requirements and standards established by applicable federal, state and County laws, ordinances, regulations and resolutions.

2. Compensation.

2.1 Lump Sum Payment. If the signature page of the Agreement indicates lump sum payment, then the Contractor shall be compensated for work performed or services provided under the Agreement on a lump sum basis for each task as described in the Scope of Work, or in any proposal submitted by the Contractor, that is attached to and made part of the Agreement, by making periodic or progress payments upon completion of each task or item of work. The County shall retain ten (10) percent of all periodic or progress payments made to the Contractor until completion and acceptance of all work tasks and payment of all subcontractors retained, hired or used by the Contractor

2.2 Time & Materials Payment. If the signature page of the Agreement indicates time and materials payment, then Contractor compensation shall be based on the hours worked by the Contractor and/or the Contractor's employees or subcontractors, multiplied by the applicable rate set forth in the Contractor's current, dated schedule of rates attached hereto and, by this reference, made a part hereof; provided, however, the Consultant will provide the County 30-days notice before any change in the rate schedule takes effect.

2.3 Expenses. In addition to the aforementioned fees, Contractor will be reimbursed for the following expenses, plus any expenses agreed to in writing by the parties, that are reasonable, necessary and actually incurred by the Contractor in connection with providing or performing the work or services under the Agreement.

- (a) Any filing fees, permit fees, or other fees paid or advanced by the Contractor.
- (b) Expenses, fees or charges for printing, reproduction or binding of documents at actual costs.
- (c) The cost of any subcontractors, consultants, experts or investigators retained by the Contractor, provided the County has agreed in writing to reimburse the Contractor for such costs.
- (d) Travel costs, including transportation, lodging and meals, provided the County has agreed in writing to reimburse the Contractor for such costs. Any reimbursement for travel costs shall be subject to and not exceed those amounts paid to the County's employees under the current Stanislaus County Travel Policy.

2.4 Invoices. The Contractor shall provide the County with a monthly or a quarterly statement, as services warrant, of fees earned and costs incurred for services provided during the billing period, which the County shall pay in full within 30 days of the date each invoice is approved by the County. The statement will generally describe the services performed, the applicable rate or rates, the basis for the calculation of fees, and a reasonable itemization of costs. All invoices for services provided shall be forwarded in the same manner and to the same person and address that is provided for service of notices herein.

2.5 Maximum Amount of Contract. The parties hereto acknowledge the maximum amount to be paid by the County for services provided and expenses shall not exceed the amount set forth in Paragraph 3 of the signature page of the Agreement, including, without limitation, the cost of any subcontractors, consultants, experts or investigators retained by the Contractor in the performance of work or services under the Agreement.

2.6 Other Compensation. Contractor shall not be entitled to nor receive compensation in the form of overtime, health insurance benefits, retirement benefits, disability retirement benefits, sick leave, vacation time, paid holidays or other paid leaves of absence of any type or kind whatsoever.

2.7 Taxes. County will not withhold any Federal or State income taxes or Social Security tax from any payments to Contractor. The Contractor, not the County, has the sole responsibility to promptly pay all taxes and other assessments levied on any payments made to the Contractor.

2.8 Payment to Subcontractors and Suppliers. Pursuant to Penal Code section 484b and to Business and Professions Code section 7108.5, the Contractor must apply all funds and progress payments received by the Contractor from the County for payment of services, labor, materials or equipment to pay for such services, labor, materials or equipment. Pursuant to Civil Code section 1479, the Contractor shall direct or otherwise manifest the Contractor's intention and desire that payments made by the Contractor to subcontractors, suppliers and materialmen shall be applied to retire and extinguish the debts or obligations resulting from the performance of this Agreement.

3. Termination. Either party may terminate this agreement upon 30 days prior written notice to the other party. Termination shall not affect the County's obligation to pay for all fees earned and reasonable costs necessarily incurred by the Contractor, subject to any applicable setoffs. This Agreement shall terminate automatically on the occurrence of (a) bankruptcy or insolvency of either party, (b) sale of Contractor's business, (c) cancellation of insurance required under the terms of this Agreement, and (d) if, for any reason, Contractor ceases to be licensed or otherwise authorized to do business in the State of California, and the Contractor fails to remedy such defect or defects within thirty (30) days of receipt of notice of such defect or defects.

4. Licenses, Certificates and Permits. Any licenses, certificates or permits required by the federal, state, county or municipal governments for Contractor to provide the services and work under the Agreement must be procured and maintained in full force and effect during the term of the Agreement at the Contractor's sole cost and expense.

5. Office Space, Supplies, Equipment, Etc. Unless otherwise provided in another exhibit to the Agreement, the Contractor shall provide at its sole cost and expense, all office space, supplies, equipment, vehicles, reference and other written materials, and telephone service as is necessary for Contractor to provide the services under the Agreement.

6. Insurance.

6.1 Required Insurance. Contractor shall take out, and maintain during the life of this Agreement, insurance policies with coverage at least as broad as follows:

(a) General Liability. Comprehensive general liability insurance covering bodily injury, personal injury, property damage, products and completed operations with limits of no less than One Million Dollars (\$1,000,000) per incident or occurrence. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to any act or omission by Contractor under this Agreement or the general aggregate limit shall be twice the required occurrence limit.

(b) Automobile Liability Insurance. If the Contractor or the Contractor's officers, employees, agents, representatives or subcontractors utilize a motor vehicle in performing any of the work or services under this Agreement, owned/non-owned automobile liability insurance providing combined single limits covering bodily injury, property damage and transportation related pollution liability with limits of no less than One Million Dollars (\$1,000,000) per incident or occurrence.

(c) Workers' Compensation Insurance. Workers' Compensation insurance as required by the California Labor Code. In signing this contract, the Contractor certifies under section 1861 of the Labor Code that the Contractor is aware of the provisions of section 3700 of the Labor Code which requires every employer to be insured against liability for workmen's compensation or to undertake self-insurance in accordance with the provisions of that code, and that the Contractor will comply with such provisions before commencing the performance of the work of this Agreement.

(d) Professional Liability Insurance. If professional services are provided under this Agreement, then Contractor shall also maintain professional errors and omissions (malpractice) liability insurance with limits of no less than One Million Dollars (\$1,000,000) aggregate. Such professional liability insurance shall be continued for a period of no less than one year following completion of the Consultant's work under this Agreement.

6.2 Deductibles. Any deductibles, self-insured retentions or named insureds must be declared in writing and approved by County. At the option of the County, either: (a) the insurer shall reduce or eliminate such deductibles, self-insured retentions or named insureds, or (b) the Contractor shall provide a bond, cash, letter of credit, guaranty or other security satisfactory to the County guaranteeing payment of the self-insured retention or deductible and payment of any and all costs, losses, related investigations, claim administration and defense expenses. The County, in its sole discretion, may waive the requirement to reduce or eliminate deductibles or self-insured retentions, in which case, the Contractor agrees that it will be responsible for and pay any self-insured retention or deductible and will pay any and all costs, losses, related investigations, claim administration and defense expenses related to or arising out of the Contractor's defense and indemnification obligations as set forth in this Agreement.

6.3 Additional Insured. The Contractor shall provide a specific endorsement to all required insurance policies, except Workers' Compensation insurance and Professional Liability insurance, if any, naming the County

and its officers, officials and employees as additional insureds regarding: (a) liability arising from or in connection with the performance or omission to perform any term or condition of this Agreement by or on behalf of the Contractor, including the insured's general supervision of the Contractor; (b) services, products and completed operations of the Contractor; (c) premises owned, occupied or used by the Contractor; and (d) automobiles owned, leased, hired or borrowed by the Contractor. The Workers' Compensation insurance carrier shall agree to waive all rights of subrogation against the County and its officers, officials and employees for losses arising from the performance of or the omission to perform any term or condition of this Agreement by the Contractor.

6.4 Primary & Separate Coverage. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. The Contractor's insurance coverage shall be primary insurance regarding the County and County's officers, officials and employees. Any insurance or self-insurance maintained by the County or County's officers, officials and employees shall be excess of the Contractor's insurance and shall not contribute with Contractor's insurance.

6.5 Reporting. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the County or its officers, officials, employees or volunteers.

6.6 Notice of Cancellation. Each insurance policy required by this section shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party except after thirty (30) days' prior written notice has been given to County. The Contractor shall promptly notify, or cause the insurance carrier to promptly notify, the County of any change in the insurance policy or policies required under this Agreement, including, without limitation, any reduction in coverage or in limits of the required policy or policies.

6.7 Rating. Insurance shall be placed with California admitted insurers (licensed to do business in California) with a current rating by Best's Key Rating Guide acceptable to the County; provided, however, that if no California admitted insurance company provides the required insurance, it is acceptable to provide the required insurance through a United States domiciled carrier that meets the required Best's rating and that is listed on the current List of Eligible Surplus Line Insurers maintained by the California Department of Insurance. A Best's rating of at least A-VII shall be acceptable to the County; lesser ratings must be approved in writing by the County.

6.8 Subcontractors. Contractor shall require all its subcontractors to comply with the insurance and indemnity requirements stated herein, or shall include subcontractors as additional insureds under its insurance policies.

6.9 Proof of Insurance. At least ten (10) days prior to the date the Contractor begins performance of its obligations under this Agreement, Contractor shall furnish County with certificates of insurance and with original endorsements establishing coverage required by this Agreement, including, without limitation, those effecting coverage for subcontractors of the Contractor. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements shall be received and, in County's sole and absolute discretion, approved by County. County reserves the right to require complete copies of all required insurance policies and endorsements, at any time.

6.10 Insurance Limits. The limits of insurance described herein shall not limit the liability of the Contractor and Contractor's officers, employees, agents, representatives or subcontractors. Contractor's obligation to defend, indemnify and hold the County and its agents, officers and employees harmless under the provisions of this paragraph is not limited to or restricted by any requirement in this Agreement for Contractor to procure and maintain a policy of insurance.

7. Defense and Indemnification. To the fullest extent permitted by law, Contractor shall indemnify, hold harmless and defend the County and its agents, officers and employees from and against all claims, damages, losses, judgments, liabilities, expenses and other costs, including litigation costs and attorneys' fees, arising out of, resulting from, or in connection with the performance of this Agreement by the Contractor or Contractor's

officers, employees, agents, representatives or subcontractors and resulting in or attributable to personal injury, death, or damage or destruction to tangible or intangible property, including the loss of use. The Consultant's obligation to indemnify the County for any judgment, decree or arbitration award shall extend only to the percentage of negligence or responsibility of the Contractor in contributing to such damage or loss.

8. Status of Contractor. All acts of Contractor and its officers, employees, agents, representatives, subcontractors relating to the performance of the Agreement, shall be performed as independent contractors and not as agents, officers or employees of County. Except as otherwise expressly provided in the Agreement, Contractor has no authority to bind or incur any obligation on behalf of County or to exercise any rights or power vested in the County. No agent, officer or employee of the County is to be considered an employee of Contractor. It is understood by both Contractor and County that this Agreement shall not be construed or considered under any circumstances to create an employer-employee relationship or a joint venture.

9. Records and Audit. Contractor shall maintain and keep all writings, documents and records prepared or compiled in connection with the performance of this Agreement for a minimum of four (4) years after the termination or completion of this Agreement. Any authorized representative of County shall have access to any such records writings as defined above for the purposes of making audit, evaluation, examination, excerpts and transcripts during the period such records are to be maintained by Contractor.

10. Nondiscrimination. During the performance of this Agreement, Contractor and its officers, employees, agents, representatives or subcontractors shall not unlawfully discriminate in violation of any federal, state or local law, rule or regulation against any employee, applicant for employment or person receiving services under this Agreement because of race, religion, color, national origin, ancestry, physical or mental handicap, medical condition (including genetic characteristics), marital status, age, political affiliation or sex. Contractor and its subcontractors shall comply with all applicable Federal, State and local laws and regulations related to non-discrimination and equal opportunity, including without limitation the County's nondiscrimination policy; the Fair Employment and Housing Act (Government Code, § 12900 et seq.); California Labor Code sections 1101, 1102 and 1102.1; the Federal Civil Rights Act of 1964 (P.L. 88-352), as amended; and all applicable regulations promulgated in the California Code of Regulations or the Code of Federal Regulations.

11. Assignment. County has relied upon the skills, knowledge, experience and training of Contractor and the Contractor's firm, associates and employees as an inducement to enter into this Agreement. Contractor shall not assign or subcontract this Agreement without the express written consent of County. Further, Contractor shall not assign any monies due or to become due under this Agreement without the prior written consent of County.

12. Amendment and Modification. The Agreement may be amended by the mutual written consent of the parties; provided, however, the County may, at any time, without notice to any sureties, by written order designated or indicated to be a "contract modification," make any change in the work to be performed under this Agreement so long as the modified work is within the general scope of work called for by this Agreement, including but not limited to changes in the specifications or in the method, manner or time of performance of work. If the Contractor intends to dispute the change, the Contractor must, within ten (10) days after receipt of a written "contract modification," submit to the County a written statement setting forth the disagreement with the change.

13. Disputes. Any dispute arising under or relating to the terms of the Agreement, or related to performance under the Agreement, shall be decided in writing by the County contract manager. The Contractor shall be furnished a copy of the written decision and the decision shall be final and conclusive unless, within fifteen (15) calendar days from the date of receipt of such copy, the Contractor mails or delivers a written appeal to the Director of the County Department. The decision of the Director, or designee, shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary or so grossly erroneous as necessarily to imply bad faith, or not supported by any substantial evidence. Pending final decision on any dispute, the Contractor shall proceed diligently with the performance of work as directed by the contract manager unless the Contractor has received a notice of termination.

14. Waiver of Default. Waiver of any default by either party to this Agreement shall not be deemed to be waiver of any subsequent default. Waiver or breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent breach, and shall not be construed to be a modification of the terms of this Agreement unless this Agreement is modified as provided below.
15. Notice. Any notice or communication regarding Agreement that a party is required or may desire to make shall be in writing and may be personally served or sent by prepaid first class mail to the respective parties at the address set forth on the signature page of this Agreement. *Notice is deemed received upon deposit in the mail.*
16. Conflicts. Contractor agrees that it has no interest and shall not acquire any interest direct or indirect which would conflict in any manner or degree with the performance of the work and services under this Agreement.
17. Entire Agreement. The Agreement supersedes any and all other agreements, either oral or in writing, between any of the parties and contains all the agreements between the parties with respect to the subject matter of the Agreement. No other agreement, statement or promise not contained in this Agreement shall be valid or binding.
18. Advice of Attorney. Each party warrants and represents that in executing this Agreement, it has received independent legal advice from its attorneys or the opportunity to seek such advice.
19. Construction. Headings or captions to the provisions of this Agreement are solely for the convenience of the parties, are not part of this Agreement, and shall not be used to interpret or determine the validity of this Agreement. Any ambiguity in this Agreement shall not be construed against the drafter, but rather the terms and provisions hereof shall be given a reasonable interpretation as if both parties had in fact drafted this Agreement.
20. Governing Law and Venue. This Agreement shall be deemed to be made under, and shall be governed by and construed in accordance with, the laws of the State of California. Any action brought to enforce the terms or provisions of this Agreement shall have venue in the County of Stanislaus, State of California.

END OF STANDARD CONDITIONS (LONG FORM)

Exhibit "B"

Sewer Connection Program

SCOPE OF WORK:

PROGRAM DESCRIPTION

Maximum grant amount ~~\$2,500~~; Maximum loan amount ~~\$7,500~~; per household.

\$10,000 → B

\$10,000 → B

ALLOCATION:

RDA Amount \$340,000; HOME Amount \$160,000; Total Amount \$500,000.

PART ONE

The Contractor shall provide the following services:

Market the Sewer Connection Program within the Community.

Receive applications from sanitary sewer home connections.

Research property title; verify income, and other information necessary to determine program eligibility of potential participants.

Verify ownership using Realquest® software.

Verify homeowner's insurance at eligibility. Send request to insurance provider to have County listed as Additional Insured or a Loss Payable Endorsement. Yearly verification requested, but not required.

Conduct onsite pre-inspections to facilitate the preparation of work write-ups for contractor bidding.

Establish and maintain an eligibility list.

PART TWO

Conduct contractor-bidding process.

Award contracts and track project progress through completion.

Prepare and maintain files for all program participants. These files shall include all documents and information relative to the individual project per Redevelopment and H.O.M.E. Program standards. These files shall be current, complete records, including, but not limited to, contracts, source documents supporting accounting transactions, eligibility and service records as may be applicable, a ledger, personnel and payroll records, cancelled checks and related documents and records to assure proper accounting of funds and performance of this contract in accordance with Redevelopment and HOME regulations. To the extent permitted by law, the Redevelopment Agency/ County is permitted access to all books, accounts or records of any kind for purposes of audit or investigation, in order to ascertain compliance with the provisions of this contract. Records shall be maintained for a period of five years or in accordance with 24 CFR Part 92.508 (c), whichever is longer.

The Contractor will cooperate in the preparation of, and will furnish any and all information required for reports to be prepared as may be required by Redevelopment and HOME regulations including, but not limited to the Consolidated Plan, the annual performance report and any quarterly reports required by the Redevelopment Agency/County.

The Contractor agrees to defend, indemnify and hold harmless The Redevelopment Agency/County and its officers, employees, and agents from any and all acts, claims, omissions, liabilities and losses by whomever asserted arising out of acts or omissions of Contractor in the performance of the Scope of Work except those arising by reason of the sole negligence of the Redevelopment Agency/County, its officers, employees or agents.

Loan repayments, interest or other return on Redevelopment Agency/County's investment of Redevelopment and HOME funds disbursed through this contract shall be collected by the Contractor and transferred to the Redevelopment Agency/County within 30 days of receipt. The Redevelopment Agency/County will hold any such funds for additional Redevelopment and/or HOME-eligible activities in the County.

The Contractor shall comply with all applicable laws, ordinances and codes of Federal, State and local governments, in the performance of this Agreement.

The Contractor agrees to comply will all requirements which are now or which may hereafter be imposed by HCD for the Redevelopment Agency and HUD for the HOME program, as well as such requirements as may be imposed by the City of Turlock/Stanslaus County HOME Consortium.

The Contractor shall be responsible for conducting the environmental review of any projects assisted through this contract in compliance with the National Environmental Protection Act and 24 CFR 58. A copy of any such review shall be sent to the Redevelopment Agency/County for Loan Committee's review, approval and formal acceptance.

The Contractor agrees that it will comply with the Americans with Disabilities Act and Title VII or the Civil Rights Acts of 1964, and that no person in the United States shall, on the grounds of race, creed, color, disability, sex, sexual orientation, national origin, age, religion, Vietnam era veteran's status, political affiliation or any other non-merit factors be excluded from participation in, be denied the benefits of or be subjected to discrimination under any program or activity funded in whole or in part with funds made available to the Contractor by the Redevelopment Agency/County pursuant to this contract.

- a. Deny any services or other benefit provided under the program or activity.
- b. Provide any service or other benefit which is different or is provided in a different form from that provided to others under the program or activity;
- c. Subject to segregated or separate treatment in any facility in or in any manner or process related to receipt of any service or benefit under the program or activity;
- d. Restrict in any way the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit under the program or activity;

- e. Treat an individual differently from others in determining whether that individual satisfies and admission enrollment, eligibility, membership or other requirement or condition which individuals must meet in order to be provided any service or other benefit provided under the program or activity; or
- f. Deny an opportunity to participate in a program or activity as an employee;

To comply with Redevelopment and HOME regulations funds must be spent within 15 days of disbursement The Contractor shall request reimbursements of incidental expenditures. In the case of a known large expense, the Contractor may request, in writing, from the Redevelopment Agency/County and advance of the necessary amount of the funds, which will be expended within the time, allowed. The amount of each request shall be limited to the amount needed.

GRANT CRITERIA:

Grants will only be available if the resident/owner is income eligible:

Grants will be for five (5) years following the date of recordation of the Notice of Completion.

Grants will contain the following restrictive covenants for the entire term of the grant.

- a. Owner shall not sell, transfer, convey, assign, rent, lease, encumber, mortgage or hypothecate the property.
- b. Owner shall continuously occupy the property as his or her residence.
- c. Owner shall maintain the property in post-rehabilitation condition.
- d. Owner shall comply with all laws affecting the property and its use.

The owner's failure to comply with any or all of the above restrictions shall make the entire grant amount immediately due and payable.

LOAN CRITERIA:

Loans will be available to qualified owners who are not income eligible for a grant or use the property as a rental.

Loans will accrue interest only for the first ^{TEN 10 MB} fifteen (15) years of the loan at three (3) percent (%) per annum.

Monthly payments will be required, unless they meet eligibility criteria that necessitate deferral. In that case loans will be deferred for fifty-five (55) years as long as their income remains the same. In this case loan payments may be made on a voluntary basis.

Loans will contain the following restrictive covenants for the entire fifty-five (55) year term of the loan.

- a. Owner shall not sell, transfer, convey, assign, rent, lease, encumber, mortgage or hypothecate the property.
- b. Owner shall continuously occupy the property as his or her residence.
- c. Owner shall maintain the property in post-rehabilitation condition.
- d. Owner shall comply with all laws affecting the property and its use.

The owner's failure to comply with any or all of the above restrictions shall make the principal and all accrued interest immediately due and payable.

COMPENSATION:

The Contractor shall be compensated for the services provided under this agreement as follows:

Construction and fees.

The Contractor shall be compensated fifty dollars (\$50.00) per completed application for the duties as outlined and one hundred dollars (\$100.00) per completed application that results in a completed rehabilitation project.

The Contractor shall be compensated at a rate of fifteen percent (15%) of the total construction cost for each project funded.

The Contractor shall be compensated at the rate of nine dollars and seventy five cents (\$9.75) for each monthly loan payment processed.

The Contractor shall quarterly submit a written invoice identifying the name of the individual performing services, the date the services were performed, a description of the services, and the total cost of the services. Any requests for payment of reimbursable expenses shall be itemized on the invoice. The Redevelopment Agency/County shall pay the Contractor within forty-five (45) days of the receipt of the invoice.

SITTING AS THE REDEVELOPMENT AGENCY
THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Redevelopment Agency

BOARD AGENDA # 9:30 a.m *VI-B

Urgent Routine

AGENDA DATE June 26, 2007

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval of an Agreement with the Housing Authority of Stanislaus County to Continue the Major Home Repair Program with \$44,500 the Balance of Unexpended Funds from FY 2006-07 and \$50,000 from FY 2007-08.

STAFF RECOMMENDATIONS:

1. Approve the Agreement with the Housing Authority of Stanislaus County to continue the Major Home Repair Program;
2. Consider reallocating the Balance of \$44,500 of Unexpended Funds from the FY 2006-07 contract and \$50,000 from the FY 2007-08 Budget to the Major Home Repair Program.
3. Authorize the Executive Director to sign and negotiate on behalf of the Agency.

FISCAL IMPACT:

There are funds available in the Housing Set-Aside account.

BOARD ACTION AS FOLLOWS:

No. 2007-521

On motion of Supervisor Grover, Seconded by Supervisor Monteith
and approved by the following vote,

Ayes: Supervisors: Mayfield, Grover, Monteith, DeMartini, and Chairman O'Brien

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

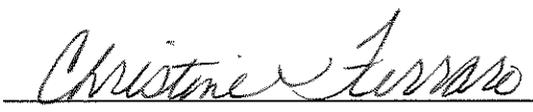
1) Approved as recommended

2) Denied

3) Approved as amended

4) Other:

MOTION:



ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

Approval of an Agreement with the Housing Authority of Stanislaus County to Continue the Major Home Repair Program with \$44,500 the Balance of Unexpended Funds from FY 2006-07 and \$50,000 from FY 2007-08

Page 2

DISCUSSION:

Since 1997, the Major Home Repair Program has facilitated the housing rehabilitation efforts for the Agency with the Redevelopment sub-areas and the unincorporated communities. This program is a necessary activity that provides households an opportunity to eliminate conditions that threaten the condition of the dwelling and the health and safety of the residents.

This program has been historically funded from three (3) sources: the Redevelopment Housing Set-Aside fund, the Community Development Block Grant Program (CDBG), and the Home Investment Partnership Program (HOME).

In tandem with unexpended funds (FY 2006-07) of \$44,500 and Housing Set-Aside funding of \$50,000, \$109,375 from the FY 2007-08 HOME Program budget has been allocated. The total of \$203,875 is anticipated to assist approximately five (5) households with major rehabilitation needs.

POLICY ISSUES:

A number of priorities will be served by this agreement with the Housing Authority. They are: A safe community (safety can begin with a single household); A healthy community (this program corrects defects found in a residential structure that could impact the health of its occupants); A strong, local economy (although the program does not infuse large amounts of capital in the local economy, it never-the-less provides job opportunity to those craftsmen engaged in the construction industry); and, Effective partnerships (the Housing Authority is in the business of providing housing opportunity to the lower income population residing in the county). This program parallels that effort.

STAFFING IMPACT:

No additional staff is necessary.

ATTACHMENT:

1. Agreement

**COUNTY OF STANISLAUS
STANDARD AGREEMENT**

Agreement Number

1. This Agreement is entered into between the Stanislaus County Planning and Community Development/Stanislaus Redevelopment Agency and the following named Contractor Housing Authority of Stanislaus County

(If other than an individual, state whether a corporation, partnership, etc.): Corporation

2. The term of this Agreement is: One year: July 1st, 2007 until June 30th, 2008

3. The maximum amount of payment based on X lump sum, or ___ time and materials is \$159,375.00

4. The parties agree to comply with the terms and conditions of the following exhibits, which by this reference, are made a part of the Agreement:

- (a) Exhibit A -- Standard Contract Conditions (LF 4.01)
- (b) Exhibit B -- Scope of Work
- (c) ~~Exhibit C -- Special Conditions~~
- (d) ~~Other (e.g. Contractor's Proposal)~~

IN WITNESS WHEREOF, the parties have executed this Agreement on _____

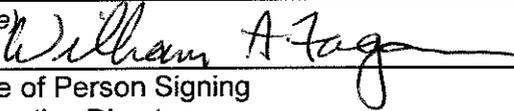
(Date)

CONTRACTOR

Contractor's Name

Housing Authority of Stanislaus County

By (Authorized Signature)



Printed Name and Title of Person Signing

William A. Fagan, Executive Director

Mailing Address

P.O. Box 581918

Modesto, CA 95358-0033

Taxpayer Identification/Social Security No.

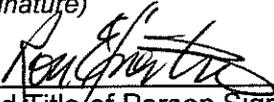
COUNTY OF STANISLAUS

Department Name

Stanislaus County Planning and Community Development/Stanislaus Redevelopment Agency

By (Authorized Signature)

☐



Printed Name and Title of Person Signing

Ron E. Freitas, Director of Planning and Community Development/Executive Director

Mailing Address

1010 10th Street, Suite 3400, Modesto, CA 95354

Approved for Content:



James S. Duval, Deputy Director

Approved for Form:



John P. Doering, Assistant County Counsel

EXHIBIT A
STANDARD CONTRACT CONDITIONS
(Long Form 4/5/01)

1. Description of Work.

1.1 Work To Be Performed. The Contractor shall provide work or services as described in the Scope of Work and, if the Contractor has submitted a work proposal, the Contractor shall provide work or services in accordance with that proposal, which shall be attached to and, by this reference, made a part of the Agreement. In the event that any provision or description of work in the Contractor's proposal conflicts or is inconsistent with any similar provision or description of work described in the Scope of Work, the Scope of Work shall prevail, control or otherwise have precedence.

1.2 Contract Manager. Each party shall designate in writing a contract manager who shall be the day-to-day representative for administration of this agreement, and, except as otherwise specifically provided, shall have full authority to act on behalf of the respective party with respect to this Agreement. The County Department Head, or designee, or the Board of Supervisors, may also perform any and all acts which could be performed by the contract manager under this Agreement.

1.3 Work Schedule. A work schedule for the hours and times for completion of said services and work shall be prepared and implemented by the Contractor; provided, however, that such schedule is subject to review by and concurrence of the County.

1.4 Work Product. All documents, drawings and written work product prepared or produced by the Contractor under this Agreement, including without limitation electronic data files, are the property of the Contractor; provided, however, the County shall have the right to reproduce, publish and use all such work, or any part thereof, in any manner and for any purposes whatsoever and to authorize others to do so. If any such work is copyrightable, the Contractor may copyright the same, except that, as to any work which is copyrighted by the Contractor, the County reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, and use such work, or any part thereof, and to authorize others to do so.

1.5 Compliance with Laws. Services and work provided by the Contractor will be performed in a timely manner in compliance with the requirements and standards established by applicable federal, state and County laws, ordinances, regulations and resolutions.

2. Compensation.

2.1 Lump Sum Payment. If the signature page of the Agreement indicates lump sum payment, then the Contractor shall be compensated for work performed or services provided under the Agreement on a lump sum basis for each task as described in the Scope of Work, or in any proposal submitted by the Contractor, that is attached to and made part of the Agreement, by making periodic or progress payments upon completion of each task or item of work. The County shall retain ten (10) percent of all periodic or progress payments made to the Contractor until completion and acceptance of all work tasks and payment of all subcontractors retained, hired or used by the Contractor

2.2 Time & Materials Payment. If the signature page of the Agreement indicates time and materials payment, then Contractor compensation shall be based on the hours worked by the Contractor and/or the Contractor's employees or subcontractors, multiplied by the applicable rate set forth in the Contractor's current, dated schedule of rates attached hereto and, by this reference, made a part hereof; provided, however, the Consultant will provide the County 30-days notice before any change in the rate schedule takes effect.

2.3 Expenses. In addition to the aforementioned fees, Contractor will be reimbursed for the following expenses, plus any expenses agreed to in writing by the parties, that are reasonable, necessary and actually incurred by the Contractor in connection with providing or performing the work or services under the Agreement.

- (a) Any filing fees, permit fees, or other fees paid or advanced by the Contractor.
- (b) Expenses, fees or charges for printing, reproduction or binding of documents at actual costs.
- (c) The cost of any subcontractors, consultants, experts or investigators retained by the Contractor, provided the County has agreed in writing to reimburse the Contractor for such costs.
- (d) Travel costs, including transportation, lodging and meals, provided the County has agreed in writing to reimburse the Contractor for such costs. Any reimbursement for travel costs shall be subject to and not exceed those amounts paid to the County's employees under the current Stanislaus County Travel Policy.

2.4 Invoices. The Contractor shall provide the County with a monthly or a quarterly statement, as services warrant, of fees earned and costs incurred for services provided during the billing period, which the County shall pay in full within 30 days of the date each invoice is approved by the County. The statement will generally describe the services performed, the applicable rate or rates, the basis for the calculation of fees, and a reasonable itemization of costs. All invoices for services provided shall be forwarded in the same manner and to the same person and address that is provided for service of notices herein.

2.5 Maximum Amount of Contract. The parties hereto acknowledge the maximum amount to be paid by the County for services provided and expenses shall not exceed the amount set forth in Paragraph 3 of the signature page of the Agreement, including, without limitation, the cost of any subcontractors, consultants, experts or investigators retained by the Contractor in the performance of work or services under the Agreement.

2.6 Other Compensation. Contractor shall not be entitled to nor receive compensation in the form of overtime, health insurance benefits, retirement benefits, disability retirement benefits, sick leave, vacation time, paid holidays or other paid leaves of absence of any type or kind whatsoever.

2.7 Taxes. County will not withhold any Federal or State income taxes or Social Security tax from any payments to Contractor. The Contractor, not the County, has the sole responsibility to promptly pay all taxes and other assessments levied on any payments made to the Contractor.

2.8 Payment to Subcontractors and Suppliers. Pursuant to Penal Code section 484b and to Business and Professions Code section 7108.5, the Contractor must apply all funds and progress payments received by the Contractor from the County for payment of services, labor, materials or equipment to pay for such services, labor, materials or equipment. Pursuant to Civil Code section 1479, the Contractor shall direct or otherwise manifest the Contractor's intention and desire that payments made by the Contractor to subcontractors, suppliers and materialmen shall be applied to retire and extinguish the debts or obligations resulting from the performance of this Agreement.

3. Termination. Either party may terminate this agreement upon 30 days prior written notice to the other party. Termination shall not affect the County's obligation to pay for all fees earned and reasonable costs necessarily incurred by the Contractor, subject to any applicable setoffs. This Agreement shall terminate automatically on the occurrence of (a) bankruptcy or insolvency of either party, (b) sale of Contractor's business, (c) cancellation of insurance required under the terms of this Agreement, and (d) if, for any reason, Contractor ceases to be licensed or otherwise authorized to do business in the State of California, and the Contractor fails to remedy such defect or defects within thirty (30) days of receipt of notice of such defect or defects.

4. Licenses, Certificates and Permits. Any licenses, certificates or permits required by the federal, state, county or municipal governments for Contractor to provide the services and work under the Agreement must be procured and maintained in full force and effect during the term of the Agreement at the Contractor's sole cost and expense.

5. Office Space, Supplies, Equipment, Etc. Unless otherwise provided in another exhibit to the Agreement, the Contractor shall provide at its sole cost and expense, all office space, supplies, equipment, vehicles, reference and other written materials, and telephone service as is necessary for Contractor to provide the services under the Agreement.

6. Insurance.

6.1 Required Insurance. Contractor shall take out, and maintain during the life of this Agreement, insurance policies with coverage at least as broad as follows:

(a) General Liability. Comprehensive general liability insurance covering bodily injury, personal injury, property damage, products and completed operations with limits of no less than One Million Dollars (\$1,000,000) per incident or occurrence. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to any act or omission by Contractor under this Agreement or the general aggregate limit shall be twice the required occurrence limit.

(b) Automobile Liability Insurance. If the Contractor or the Contractor's officers, employees, agents, representatives or subcontractors utilize a motor vehicle in performing any of the work or services under this Agreement, owned/non-owned automobile liability insurance providing combined single limits covering bodily injury, property damage and transportation related pollution liability with limits of no less than One Million Dollars (\$1,000,000) per incident or occurrence.

(c) Workers' Compensation Insurance. Workers' Compensation insurance as required by the California Labor Code. In signing this contract, the Contractor certifies under section 1861 of the Labor Code that the Contractor is aware of the provisions of section 3700 of the Labor Code which requires every employer to be insured against liability for workmen's compensation or to undertake self-insurance in accordance with the provisions of that code, and that the Contractor will comply with such provisions before commencing the performance of the work of this Agreement.

(d) Professional Liability Insurance. If professional services are provided under this Agreement, then Contractor shall also maintain professional errors and omissions (malpractice) liability insurance with limits of no less than One Million Dollars (\$1,000,000) aggregate. Such professional liability insurance shall be continued for a period of no less than one year following completion of the Consultant's work under this Agreement.

6.2 Deductibles. Any deductibles, self-insured retentions or named insureds must be declared in writing and approved by County. At the option of the County, either: (a) the insurer shall reduce or eliminate such deductibles, self-insured retentions or named insureds, or (b) the Contractor shall provide a bond, cash, letter of credit, guaranty or other security satisfactory to the County guaranteeing payment of the self-insured retention or deductible and payment of any and all costs, losses, related investigations, claim administration and defense expenses. The County, in its sole discretion, may waive the requirement to reduce or eliminate deductibles or self-insured retentions, in which case, the Contractor agrees that it will be responsible for and pay any self-insured retention or deductible and will pay any and all costs, losses, related investigations, claim administration and defense expenses related to or arising out of the Contractor's defense and indemnification obligations as set forth in this Agreement.

6.3 Additional Insured. The Contractor shall provide a specific endorsement to all required insurance policies, except Workers' Compensation insurance and Professional Liability insurance, if any, naming the County

and its officers, officials and employees as additional insureds regarding: (a) liability arising from or in connection with the performance or omission to perform any term or condition of this Agreement by or on behalf of the Contractor, including the insured's general supervision of the Contractor; (b) services, products and completed operations of the Contractor; (c) premises owned, occupied or used by the Contractor; and (d) automobiles owned, leased, hired or borrowed by the Contractor. The Workers' Compensation insurance carrier shall agree to waive all rights of subrogation against the County and its officers, officials and employees for losses arising from the performance of or the omission to perform any term or condition of this Agreement by the Contractor.

6.4 Primary & Separate Coverage. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. The Contractor's insurance coverage shall be primary insurance regarding the County and County's officers, officials and employees. Any insurance or self-insurance maintained by the County or County's officers, officials and employees shall be excess of the Contractor's insurance and shall not contribute with Contractor's insurance.

6.5 Reporting. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the County or its officers, officials, employees or volunteers.

6.6 Notice of Cancellation. Each insurance policy required by this section shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party except after thirty (30) days' prior written notice has been given to County. The Contractor shall promptly notify, or cause the insurance carrier to promptly notify, the County of any change in the insurance policy or policies required under this Agreement, including, without limitation, any reduction in coverage or in limits of the required policy or policies.

6.7 Rating. Insurance shall be placed with California admitted insurers (licensed to do business in California) with a current rating by Best's Key Rating Guide acceptable to the County; provided, however, that if no California admitted insurance company provides the required insurance, it is acceptable to provide the required insurance through a United States domiciled carrier that meets the required Best's rating and that is listed on the current List of Eligible Surplus Line Insurers maintained by the California Department of Insurance. A Best's rating of at least A-VII shall be acceptable to the County; lesser ratings must be approved in writing by the County.

6.8 Subcontractors. Contractor shall require all its subcontractors to comply with the insurance and indemnity requirements stated herein, or shall include subcontractors as additional insureds under its insurance policies.

6.9 Proof of Insurance. At least ten (10) days prior to the date the Contractor begins performance of its obligations under this Agreement, Contractor shall furnish County with certificates of insurance and with original endorsements establishing coverage required by this Agreement, including, without limitation, those effecting coverage for subcontractors of the Contractor. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements shall be received and, in County's sole and absolute discretion, approved by County. County reserves the right to require complete copies of all required insurance policies and endorsements, at any time.

6.10 Insurance Limits. The limits of insurance described herein shall not limit the liability of the Contractor and Contractor's officers, employees, agents, representatives or subcontractors. Contractor's obligation to defend, indemnify and hold the County and its agents, officers and employees harmless under the provisions of this paragraph is not limited to or restricted by any requirement in this Agreement for Contractor to procure and maintain a policy of insurance.

7. Defense and Indemnification. To the fullest extent permitted by law, Contractor shall indemnify, hold harmless and defend the County and its agents, officers and employees from and against all claims, damages, losses, judgments, liabilities, expenses and other costs, including litigation costs and attorneys' fees, arising out of, resulting from, or in connection with the performance of this Agreement by the Contractor or Contractor's

officers, employees, agents, representatives or subcontractors and resulting in or attributable to personal injury, death, or damage or destruction to tangible or intangible property, including the loss of use. The Consultant's obligation to indemnify the County for any judgment, decree or arbitration award shall extend only to the percentage of negligence or responsibility of the Contractor in contributing to such damage or loss.

8. Status of Contractor. All acts of Contractor and its officers, employees, agents, representatives, subcontractors relating to the performance of the Agreement, shall be performed as independent contractors and not as agents, officers or employees of County. Except as otherwise expressly provided in the Agreement, Contractor has no authority to bind or incur any obligation on behalf of County or to exercise any rights or power vested in the County. No agent, officer or employee of the County is to be considered an employee of Contractor. It is understood by both Contractor and County that this Agreement shall not be construed or considered under any circumstances to create an employer-employee relationship or a joint venture.

9. Records and Audit. Contractor shall maintain and keep all writings, documents and records prepared or compiled in connection with the performance of this Agreement for a minimum of four (4) years after the termination or completion of this Agreement. Any authorized representative of County shall have access to any such records writings as defined above for the purposes of making audit, evaluation, examination, excerpts and transcripts during the period such records are to be maintained by Contractor.

10. Nondiscrimination. During the performance of this Agreement, Contractor and its officers, employees, agents, representatives or subcontractors shall not unlawfully discriminate in violation of any federal, state or local law, rule or regulation against any employee, applicant for employment or person receiving services under this Agreement because of race, religion, color, national origin, ancestry, physical or mental handicap, medical condition (including genetic characteristics), marital status, age, political affiliation or sex. Contractor and its subcontractors shall comply with all applicable Federal, State and local laws and regulations related to non-discrimination and equal opportunity, including without limitation the County's nondiscrimination policy; the Fair Employment and Housing Act (Government Code, § 12900 et seq.); California Labor Code sections 1101, 1102 and 1102.1; the Federal Civil Rights Act of 1964 (P.L. 88-352), as amended; and all applicable regulations promulgated in the California Code of Regulations or the Code of Federal Regulations.

11. Assignment. County has relied upon the skills, knowledge, experience and training of Contractor and the Contractor's firm, associates and employees as an inducement to enter into this Agreement. Contractor shall not assign or subcontract this Agreement without the express written consent of County. Further, Contractor shall not assign any monies due or to become due under this Agreement without the prior written consent of County.

12. Amendment and Modification. The Agreement may be amended by the mutual written consent of the parties; provided, however, the County may, at any time, without notice to any sureties, by written order designated or indicated to be a "contract modification," make any change in the work to be performed under this Agreement so long as the modified work is within the general scope of work called for by this Agreement, including but not limited to changes in the specifications or in the method, manner or time of performance of work. If the Contractor intends to dispute the change, the Contractor must, within ten (10) days after receipt of a written "contract modification," submit to the County a written statement setting forth the disagreement with the change.

13. Disputes. Any dispute arising under or relating to the terms of the Agreement, or related to performance under the Agreement, shall be decided in writing by the County contract manager. The Contractor shall be furnished a copy of the written decision and the decision shall be final and conclusive unless, within fifteen (15) calendar days from the date of receipt of such copy, the Contractor mails or delivers a written appeal to the Director of the County Department. The decision of the Director, or designee, shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary or so grossly erroneous as necessarily to imply bad faith, or not supported by any substantial evidence. Pending final decision on any dispute, the Contractor shall proceed diligently with the performance of work as directed by the contract manager unless the Contractor has received a notice of termination.

14. Waiver of Default. Waiver of any default by either party to this Agreement shall not be deemed to be waiver of any subsequent default. Waiver or breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent breach, and shall not be construed to be a modification of the terms of this Agreement unless this Agreement is modified as provided below.

15. Notice. Any notice or communication regarding Agreement that a party is required or may desire to make shall be in writing and may be personally served or sent by prepaid first class mail to the respective parties at the address set forth on the signature page of this Agreement. Notice is deemed received upon deposit in the mail.

16. Conflicts. Contractor agrees that it has no interest and shall not acquire any interest direct or indirect which would conflict in any manner or degree with the performance of the work and services under this Agreement.

17. Entire Agreement. The Agreement supersedes any and all other agreements, either oral or in writing, between any of the parties and contains all the agreements between the parties with respect to the subject matter of the Agreement. No other agreement, statement or promise not contained in this Agreement shall be valid or binding.

18. Advice of Attorney. Each party warrants and represents that in executing this Agreement, it has received independent legal advice from its attorneys or the opportunity to seek such advice.

19. Construction. Headings or captions to the provisions of this Agreement are solely for the convenience of the parties, are not part of this Agreement, and shall not be used to interpret or determine the validity of this Agreement. Any ambiguity in this Agreement shall not be construed against the drafter, but rather the terms and provisions hereof shall be given a reasonable interpretation as if both parties had in fact drafted this Agreement.

20. Governing Law and Venue. This Agreement shall be deemed to be made under, and shall be governed by and construed in accordance with, the laws of the State of California. Any action brought to enforce the terms or provisions of this Agreement shall have venue in the County of Stanislaus, State of California.

END OF STANDARD CONDITIONS (LONG FORM)

Exhibit "B"

County Major Home Repair Program

SCOPE OF WORK:

ALLOCATION

\$109,375 in H.O.M.E. funds and \$50,000 in RDA funds (Total of \$159,375) for contract period, July 1st, 2007 through June 30th, 2008.

PROGRAM DESCRIPTION

Provide loans to repair major emergency health and safety related items in owner occupied homes located in the unincorporated areas of Stanislaus County. Maximum amount is \$60,000 per household. (RDA funds are for health and safety related projects subject to loan committee approval)

PART ONE

The Contractor shall provide the following services:

Market the Major Home Repair Program within the unincorporated limits of Stanislaus County.

Receive applications from property owner's desiring health and safety types of repairs.

Research property title; verify income for initial eligibility, collect and verify other information necessary to determine program eligibility of potential participants.

Verify ownership using Realquest® software.

Verify homeowner's insurance at eligibility. Send request to insurance provider to have County listed as Additional Insured or a Loss Payable Endorsement. Yearly verification requested, but not required.

Conduct onsite pre-inspections to facilitate the preparation of work write-ups for contractor bidding.

Establish and maintain an eligibility list.

PART TWO

Conduct contractor-bidding process.

Award contracts and track project progress through completion.

Prepare and maintain files for all program participants. These files shall include all documents and information relative to the individual project per Redevelopment and H.O.M.E. Program standards. These files shall be current, complete records, including, but not limited to, contracts, source documents supporting accounting transactions, eligibility and service records as may be applicable, a ledger, personnel and payroll records, cancelled checks and related documents and records to assure proper accounting of funds and performance of this contract in accordance with Redevelopment and HOME regulations. To the extent permitted by law, the Redevelopment

Agency/County is permitted access to all books, accounts or records of any kind for purposes of audit or investigation, in order to ascertain compliance with the provisions of this contract. Records shall be maintained for a period of five years or in accordance with 24 CFR Part 92.508 (c), whichever is longer.

The Contractor will cooperate in the preparation of, and will furnish any and all information required for reports to be prepared as may be required by Redevelopment and HOME regulations including, but not limited to the Consolidated Plan, the annual performance report and any quarterly reports required by the Redevelopment Agency and the County.

The Contractor agrees to defend, indemnify and hold harmless The Redevelopment Agency/County and its officers, employees, and agents from any and all acts, claims, omissions, liabilities and losses by whomever asserted arising out of acts or omissions of Contractor in the performance of the Scope of Work except those arising by reason of the sole negligence of the County, its officers, employees or agents.

Loan repayments, interest or other return on the Redevelopment Agency/County's investment of Redevelopment/HOME funds disbursed through this contract shall be collected by the Contractor and transferred to the Redevelopment Agency/County within 30 days of receipt. The Redevelopment Agency/County will hold any such funds for additional Redevelopment and/or HOME-eligible activities in the County.

The Contractor shall comply with all applicable laws, ordinances and codes of Federal, State and local governments, in the performance of this Agreement.

The Contractor agrees to comply will all requirements which are now or which may hereafter be imposed by HCD for Redevelopment/HUD for the HOME program, as well as such requirements as may be imposed by the City of Turlock/Stanslaus County HOME Consortium.

The Contractor shall be responsible for conducting the environmental review of any projects assisted through this contract in compliance with the National Environmental Protection Act and 24 CFR 58. A copy of any such review shall be sent to the Redevelopment Agency/County for Loan Committee's review, approval and formal acceptance.

The Contractor agrees that it will comply with the Americans with Disabilities Act and Title VII or the Civil Rights Acts of 1964, and that no person in the United States shall, on the grounds of race, creed, color, disability, sex, sexual orientation, national origin, age, religion, Vietnam era veteran's status, political affiliation or any other non-merit factors be excluded from participation in, be denied the benefits of or be subjected to discrimination under any program or activity funded in whole or in part with funds made available to the Contractor by the Redevelopment Agency/County pursuant to this contract.

- a. Deny any services or other benefit provided under the program or activity.
- b. Provide any service or other benefit which is different or is provided in a different form from that provided to others under the program or activity;
- c. Subject to segregated or separate treatment in any facility in or in any manner or process related to receipt of any service or benefit under the program or activity;

- d. Restrict in any way the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit under the program or activity;
- e. Treat an individual differently from others in determining whether that individual satisfies and admission enrollment, eligibility, membership or other requirement or condition which individuals must meet in order to be provided any service or other benefit provided under the program or activity; or
- f. Deny an opportunity to participate in a program or activity as an employee;

To comply with Redevelopment and HOME regulations funds must be spent within 15 days of disbursement The Contractor shall request reimbursements of incidental expenditures. In the case of a known large expense, the Contractor may request, in writing, from the County and advance of the necessary amount of the funds, which will be expended within the time, allowed. The amount of each request shall be limited to the amount needed.

LOAN CRITERIA:

Loans will be available to qualified owner occupants. It is possible to combine loans for a total of \$60,000.00 in assistance, if all criteria are met.

Debt-to-Income Ratio: Home related expenses (mortgage, insurance, utilities). No more than 35% of Gross Income. (35% to 40%, Review on a case-by-case basis with the Loan Committee) (Debt to Income Ratio may not apply to deferred loans, have Loan Committee review.)

Maximum Loan-to-Value: Will be considered by the Loan Committee on all loans.

If located in a Flood Plain: Flood insurance required for projects over \$5,000.00 (1st year loan premiums may be paid by Major Home Repair Program if approved by Loan Committee).

At or below 50% Area Median Income (AMI): Maximum loan, \$15,000.00.
A 0% deferred loan for the initial 5 years, then forgiven as a grant.

Above 50% to, at or below 80% AMI: Maximum loan, \$45,000.00.
A 55 year, deferred loan. Loans will accrue interest for the first 10 years of the loan at 3% interest.

Above 80% to 120% AMI: Maximum loan, \$60,000.00
A 15 year loan at 3% interest loan, with monthly payments. (The estimated Major Home Repair Program monthly payment amount should be included in the Debt to income Ratio).

Landlords: If the landlord does not have the available income to make the necessary repairs, the Loan Committee will review on a case-by case basis.

Credit Checks: Required on all loans over \$5,000.00.

Restrictive Covenants: Loans will contain the following restrictive covenants for the entire term of the loan.

- a. Owner shall not sell, transfer, convey, assign, rent, lease, encumber, mortgage or hypothecate the property.
- b. Owner shall continuously occupy the property as his or her residence.
- c. Owner shall maintain the property in post-rehabilitation condition.

d. Owner shall comply with all laws affecting the property and its use.

The owner's failure to comply with any or all of the above restrictions shall make the principal and all accrued interest immediately due and payable.

COMPENSATION:

The Contractor shall be compensated for the services provided under this agreement as follows:

Construction and fees.

The Contractor shall be compensated one-hundred dollars (\$100.00) per application resulting in a rehabilitation contract and fifty dollars (\$50.00) each for all other completed applications, for the duties as outlined.

The Contractor shall be compensated at a rate of fifteen percent (15%) of the total construction cost for each project funded.

The Contractor shall be compensated at the rate of nine-dollars and seventy-five cents (\$9.75) for each monthly loan payment processed. (This fee may be subject to an increase of 3% each year for inflation).

The Contractor shall submit a written invoice identifying the name of the individual performing services, the date the services were performed, a description of the services, and the total cost of the services. Any requests for payment of reimbursable expenses shall be itemized on the invoice. The Redevelopment Agency/County shall pay the Contractor within thirty (30) days of the receipt of the invoice.

SITTING AS THE REDEVELOPMENT AGENCY
THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Redevelopment Agency

BOARD AGENDA # 9:30 a.m *VI-C

Urgent

Routine

AGENDA DATE June 26, 2007

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval of an Agreement with the Housing Authority of Stanislaus County to Continue the Minor Home Repair Program with \$50,000 from the FY 2007-08 Budget - Housing Set-Aside Funds and Authorize the Executive Director to Sign and Negotiate on Behalf of the Agency

STAFF RECOMMENDATIONS:

1. Approve the Agreement with the Housing Authority of Stanislaus County to continue the Minor Home Repair Program.
2. Consider allocating \$50,000 of Housing Set-Aside funds from FY 2007-08 Budget to continue the Minor Home Repair Program.
3. Authorize the Executive Director to sign and negotiate on behalf of the Agency.

FISCAL IMPACT:

There are funds available in the Housing Set-Aside account.

BOARD ACTION AS FOLLOWS:

No. 2007-522

On motion of Supervisor Grover, Seconded by Supervisor Monteith

and approved by the following vote,

Ayes: Supervisors: Mayfield, Grover, Monteith, DeMartini, and Chairman O'Brien

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:



ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

Approval of an Agreement with the Housing Authority of Stanislaus County to Continue the Minor Home Repair Program with \$50,000 from the FY 2007-08 Budget - Housing Set-Aside Funds and Authorize the Executive Director to Sign and Negotiate on Behalf of the Agency
Page 2

DISCUSSION:

Since 2004, the Minor Home Repair Program has facilitated the housing rehabilitation efforts of over fifty housing units. The Program is a necessary activity that provides households an opportunity to eliminate conditions that threaten the health and safety of the residents living in the home.

This program has been historically funded from three (3) sources: the Redevelopment Housing Set-Aside fund, the Community Development Block Grant Program (CDBG), and the Home Investment Partnership Program (HOME).

In tandem with the Housing Set-Aside funding of \$50,000, an additional \$109,375 from the FY 2007-08 Home Program budget has been allocated to this program. The total of \$159,375 is anticipated to assist approximately ten (10) households with minor home repair needs.

POLICY ISSUES:

A number of priorities will be served by this agreement with the Housing Authority. They are: A safe community (safety can begin with a single household); A healthy community (this program corrects defects found in a residential structure that could impact the health of its occupants); A strong, local economy (although the program does not infuse large amounts of capital in the local economy, it never-the-less provides job opportunity to those craftsmen engaged in the construction industry); and, Effective partnerships (the Housing Authority is in the business of providing housing opportunity to the lower income population residing in the county). This program parallels that effort.

STAFFING IMPACT:

No additional staff is necessary.

ATTACHMENT:

1. Agreement

**COUNTY OF STANISLAUS
STANDARD AGREEMENT**

Agreement Number

1. This Agreement is entered into between the Stanislaus County Planning and Community Development/Stanislaus Redevelopment Agency and the following named Contractor Housing Authority of Stanislaus County

(If other than an individual, state whether a corporation, partnership, etc.): Corporation

2. The term of this Agreement is: One year: July 1st, 2007 until June 30th, 2008

3. The maximum amount of payment based on X lump sum, or _____ time and materials is \$159,375.00

4. The parties agree to comply with the terms and conditions of the following exhibits, which by this reference, are made a part of the Agreement:

- (a) Exhibit A -- Standard Contract Conditions (LF 4.01)
- (b) Exhibit B -- Scope of Work
- (c) ~~Exhibit C -- Special Conditions~~
- (d) ~~Other (e.g. Contractor's Proposal)~~

IN WITNESS WHEREOF, the parties have executed this Agreement on

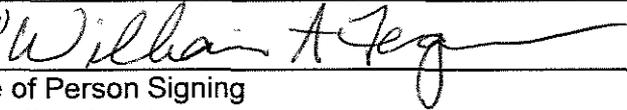
(Date)

CONTRACTOR

Contractor's Name

Housing Authority of Stanislaus County

By (Authorized Signature)



Printed Name and Title of Person Signing

William A. Fagan, Executive Director

Mailing Address

P.O. Box 581918

Modesto, CA 95358-0033

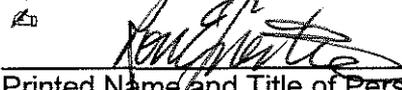
Taxpayer Identification/Social Security No.

COUNTY OF STANISLAUS

Department Name

Stanislaus County Planning and Community Development/Stanislaus Redevelopment Agency

By (Authorized Signature)



Printed Name and Title of Person Signing

Ron E. Freitas, Director of Planning and Community Development/Executive Director

Mailing Address

1010 10th Street, Suite 3400, Modesto, CA 95354

Approved for Content:


James S. Duval, Deputy Director

Approved for Form:

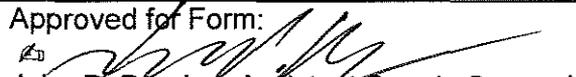

John P. Doering, Assistant County Counsel

EXHIBIT A
STANDARD CONTRACT CONDITIONS
(Long Form 4/5/01)

1. Description of Work.

1.1 Work To Be Performed. The Contractor shall provide work or services as described in the Scope of Work and, if the Contractor has submitted a work proposal, the Contractor shall provide work or services in accordance with that proposal, which shall be attached to and, by this reference, made a part of the Agreement. In the event that any provision or description of work in the Contractor's proposal conflicts or is inconsistent with any similar provision or description of work described in the Scope of Work, the Scope of Work shall prevail, control or otherwise have precedence.

1.2 Contract Manager. Each party shall designate in writing a contract manager who shall be the day-to-day representative for administration of this agreement, and, except as otherwise specifically provided, shall have full authority to act on behalf of the respective party with respect to this Agreement. The County Department Head, or designee, or the Board of Supervisors, may also perform any and all acts which could be performed by the contract manager under this Agreement.

1.3 Work Schedule. A work schedule for the hours and times for completion of said services and work shall be prepared and implemented by the Contractor; provided, however, that such schedule is subject to review by and concurrence of the County.

1.4 Work Product. All documents, drawings and written work product prepared or produced by the Contractor under this Agreement, including without limitation electronic data files, are the property of the Contractor; provided, however, the County shall have the right to reproduce, publish and use all such work, or any part thereof, in any manner and for any purposes whatsoever and to authorize others to do so. If any such work is copyrightable, the Contractor may copyright the same, except that, as to any work which is copyrighted by the Contractor, the County reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, and use such work, or any part thereof, and to authorize others to do so.

1.5 Compliance with Laws. Services and work provided by the Contractor will be performed in a timely manner in compliance with the requirements and standards established by applicable federal, state and County laws, ordinances, regulations and resolutions.

2. Compensation.

2.1 Lump Sum Payment. If the signature page of the Agreement indicates lump sum payment, then the Contractor shall be compensated for work performed or services provided under the Agreement on a lump sum basis for each task as described in the Scope of Work, or in any proposal submitted by the Contractor, that is attached to and made part of the Agreement, by making periodic or progress payments upon completion of each task or item of work. The County shall retain ten (10) percent of all periodic or progress payments made to the Contractor until completion and acceptance of all work tasks and payment of all subcontractors retained, hired or used by the Contractor

2.2 Time & Materials Payment. If the signature page of the Agreement indicates time and materials payment, then Contractor compensation shall be based on the hours worked by the Contractor and/or the Contractor's employees or subcontractors, multiplied by the applicable rate set forth in the Contractor's current, dated schedule of rates attached hereto and, by this reference, made a part hereof; provided, however, the Consultant will provide the County 30-days notice before any change in the rate schedule takes effect.

2.3 Expenses. In addition to the aforementioned fees, Contractor will be reimbursed for the following expenses, plus any expenses agreed to in writing by the parties, that are reasonable, necessary and actually incurred by the Contractor in connection with providing or performing the work or services under the Agreement.

- (a) Any filing fees, permit fees, or other fees paid or advanced by the Contractor.
- (b) Expenses, fees or charges for printing, reproduction or binding of documents at actual costs.
- (c) The cost of any subcontractors, consultants, experts or investigators retained by the Contractor, provided the County has agreed in writing to reimburse the Contractor for such costs.
- (d) Travel costs, including transportation, lodging and meals, provided the County has agreed in writing to reimburse the Contractor for such costs. Any reimbursement for travel costs shall be subject to and not exceed those amounts paid to the County's employees under the current Stanislaus County Travel Policy.

2.4 Invoices. The Contractor shall provide the County with a monthly or a quarterly statement, as services warrant, of fees earned and costs incurred for services provided during the billing period, which the County shall pay in full within 30 days of the date each invoice is approved by the County. The statement will generally describe the services performed, the applicable rate or rates, the basis for the calculation of fees, and a reasonable itemization of costs. All invoices for services provided shall be forwarded in the same manner and to the same person and address that is provided for service of notices herein.

2.5 Maximum Amount of Contract. The parties hereto acknowledge the maximum amount to be paid by the County for services provided and expenses shall not exceed the amount set forth in Paragraph 3 of the signature page of the Agreement, including, without limitation, the cost of any subcontractors, consultants, experts or investigators retained by the Contractor in the performance of work or services under the Agreement.

2.6 Other Compensation. Contractor shall not be entitled to nor receive compensation in the form of overtime, health insurance benefits, retirement benefits, disability retirement benefits, sick leave, vacation time, paid holidays or other paid leaves of absence of any type or kind whatsoever.

2.7 Taxes. County will not withhold any Federal or State income taxes or Social Security tax from any payments to Contractor. The Contractor, not the County, has the sole responsibility to promptly pay all taxes and other assessments levied on any payments made to the Contractor.

2.8 Payment to Subcontractors and Suppliers. Pursuant to Penal Code section 484b and to Business and Professions Code section 7108.5, the Contractor must apply all funds and progress payments received by the Contractor from the County for payment of services, labor, materials or equipment to pay for such services, labor, materials or equipment. Pursuant to Civil Code section 1479, the Contractor shall direct or otherwise manifest the Contractor's intention and desire that payments made by the Contractor to subcontractors, suppliers and materialmen shall be applied to retire and extinguish the debts or obligations resulting from the performance of this Agreement.

3. Termination. Either party may terminate this agreement upon 30 days prior written notice to the other party. Termination shall not affect the County's obligation to pay for all fees earned and reasonable costs necessarily incurred by the Contractor, subject to any applicable setoffs. This Agreement shall terminate automatically on the occurrence of (a) bankruptcy or insolvency of either party, (b) sale of Contractor's business, (c) cancellation of insurance required under the terms of this Agreement, and (d) if, for any reason, Contractor ceases to be licensed or otherwise authorized to do business in the State of California, and the Contractor fails to remedy such defect or defects within thirty (30) days of receipt of notice of such defect or defects.

4. Licenses, Certificates and Permits. Any licenses, certificates or permits required by the federal, state, county or municipal governments for Contractor to provide the services and work under the Agreement must be procured and maintained in full force and effect during the term of the Agreement at the Contractor's sole cost and expense.

5. Office Space, Supplies, Equipment, Etc. Unless otherwise provided in another exhibit to the Agreement, the Contractor shall provide at its sole cost and expense, all office space, supplies, equipment, vehicles, reference and other written materials, and telephone service as is necessary for Contractor to provide the services under the Agreement.

6. Insurance.

6.1 Required Insurance. Contractor shall take out, and maintain during the life of this Agreement, insurance policies with coverage at least as broad as follows:

(a) General Liability. Comprehensive general liability insurance covering bodily injury, personal injury, property damage, products and completed operations with limits of no less than One Million Dollars (\$1,000,000) per incident or occurrence. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to any act or omission by Contractor under this Agreement or the general aggregate limit shall be twice the required occurrence limit.

(b) Automobile Liability Insurance. If the Contractor or the Contractor's officers, employees, agents, representatives or subcontractors utilize a motor vehicle in performing any of the work or services under this Agreement, owned/non-owned automobile liability insurance providing combined single limits covering bodily injury, property damage and transportation related pollution liability with limits of no less than One Million Dollars (\$1,000,000) per incident or occurrence.

(c) Workers' Compensation Insurance. Workers' Compensation insurance as required by the California Labor Code. In signing this contract, the Contractor certifies under section 1861 of the Labor Code that the Contractor is aware of the provisions of section 3700 of the Labor Code which requires every employer to be insured against liability for workmen's compensation or to undertake self-insurance in accordance with the provisions of that code, and that the Contractor will comply with such provisions before commencing the performance of the work of this Agreement.

(d) Professional Liability Insurance. If professional services are provided under this Agreement, then Contractor shall also maintain professional errors and omissions (malpractice) liability insurance with limits of no less than One Million Dollars (\$1,000,000) aggregate. Such professional liability insurance shall be continued for a period of no less than one year following completion of the Consultant's work under this Agreement.

6.2 Deductibles. Any deductibles, self-insured retentions or named insureds must be declared in writing and approved by County. At the option of the County, either: (a) the insurer shall reduce or eliminate such deductibles, self-insured retentions or named insureds, or (b) the Contractor shall provide a bond, cash, letter of credit, guaranty or other security satisfactory to the County guaranteeing payment of the self-insured retention or deductible and payment of any and all costs, losses, related investigations, claim administration and defense expenses. The County, in its sole discretion, may waive the requirement to reduce or eliminate deductibles or self-insured retentions, in which case, the Contractor agrees that it will be responsible for and pay any self-insured retention or deductible and will pay any and all costs, losses, related investigations, claim administration and defense expenses related to or arising out of the Contractor's defense and indemnification obligations as set forth in this Agreement.

6.3 Additional Insured. The Contractor shall provide a specific endorsement to all required insurance policies, except Workers' Compensation insurance and Professional Liability insurance, if any, naming the County

and its officers, officials and employees as additional insureds regarding: (a) liability arising from or in connection with the performance or omission to perform any term or condition of this Agreement by or on behalf of the Contractor, including the insured's general supervision of the Contractor; (b) services, products and completed operations of the Contractor; (c) premises owned, occupied or used by the Contractor; and (d) automobiles owned, leased, hired or borrowed by the Contractor. The Workers' Compensation insurance carrier shall agree to waive all rights of subrogation against the County and its officers, officials and employees for losses arising from the performance of or the omission to perform any term or condition of this Agreement by the Contractor.

6.4 Primary & Separate Coverage. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. The Contractor's insurance coverage shall be primary insurance regarding the County and County's officers, officials and employees. Any insurance or self-insurance maintained by the County or County's officers, officials and employees shall be excess of the Contractor's insurance and shall not contribute with Contractor's insurance.

6.5 Reporting. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the County or its officers, officials, employees or volunteers.

6.6 Notice of Cancellation. Each insurance policy required by this section shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party except after thirty (30) days' prior written notice has been given to County. The Contractor shall promptly notify, or cause the insurance carrier to promptly notify, the County of any change in the insurance policy or policies required under this Agreement, including, without limitation, any reduction in coverage or in limits of the required policy or policies.

6.7 Rating. Insurance shall be placed with California admitted insurers (licensed to do business in California) with a current rating by Best's Key Rating Guide acceptable to the County; provided, however, that if no California admitted insurance company provides the required insurance, it is acceptable to provide the required insurance through a United States domiciled carrier that meets the required Best's rating and that is listed on the current List of Eligible Surplus Line Insurers maintained by the California Department of Insurance. A Best's rating of at least A-VII shall be acceptable to the County; lesser ratings must be approved in writing by the County.

6.8 Subcontractors. Contractor shall require all its subcontractors to comply with the insurance and indemnity requirements stated herein, or shall include subcontractors as additional insureds under its insurance policies.

6.9 Proof of Insurance. At least ten (10) days prior to the date the Contractor begins performance of its obligations under this Agreement, Contractor shall furnish County with certificates of insurance and with original endorsements establishing coverage required by this Agreement, including, without limitation, those effecting coverage for subcontractors of the Contractor. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements shall be received and, in County's sole and absolute discretion, approved by County. County reserves the right to require complete copies of all required insurance policies and endorsements, at any time.

6.10 Insurance Limits. The limits of insurance described herein shall not limit the liability of the Contractor and Contractor's officers, employees, agents, representatives or subcontractors. Contractor's obligation to defend, indemnify and hold the County and its agents, officers and employees harmless under the provisions of this paragraph is not limited to or restricted by any requirement in this Agreement for Contractor to procure and maintain a policy of insurance.

7. Defense and Indemnification. To the fullest extent permitted by law, Contractor shall indemnify, hold harmless and defend the County and its agents, officers and employees from and against all claims, damages, losses, judgments, liabilities, expenses and other costs, including litigation costs and attorneys' fees, arising out of, resulting from, or in connection with the performance of this Agreement by the Contractor or Contractor's

officers, employees, agents, representatives or subcontractors and resulting in or attributable to personal injury, death, or damage or destruction to tangible or intangible property, including the loss of use. The Consultant's obligation to indemnify the County for any judgment, decree or arbitration award shall extend only to the percentage of negligence or responsibility of the Contractor in contributing to such damage or loss.

8. Status of Contractor. All acts of Contractor and its officers, employees, agents, representatives, subcontractors relating to the performance of the Agreement, shall be performed as independent contractors and not as agents, officers or employees of County. Except as otherwise expressly provided in the Agreement, Contractor has no authority to bind or incur any obligation on behalf of County or to exercise any rights or power vested in the County. No agent, officer or employee of the County is to be considered an employee of Contractor. It is understood by both Contractor and County that this Agreement shall not be construed or considered under any circumstances to create an employer-employee relationship or a joint venture.

9. Records and Audit. Contractor shall maintain and keep all writings, documents and records prepared or compiled in connection with the performance of this Agreement for a minimum of four (4) years after the termination or completion of this Agreement. Any authorized representative of County shall have access to any such records writings as defined above for the purposes of making audit, evaluation, examination, excerpts and transcripts during the period such records are to be maintained by Contractor.

10. Nondiscrimination. During the performance of this Agreement, Contractor and its officers, employees, agents, representatives or subcontractors shall not unlawfully discriminate in violation of any federal, state or local law, rule or regulation against any employee, applicant for employment or person receiving services under this Agreement because of race, religion, color, national origin, ancestry, physical or mental handicap, medical condition (including genetic characteristics), marital status, age, political affiliation or sex. Contractor and its subcontractors shall comply with all applicable Federal, State and local laws and regulations related to non-discrimination and equal opportunity, including without limitation the County's nondiscrimination policy; the Fair Employment and Housing Act (Government Code, § 12900 et seq.); California Labor Code sections 1101, 1102 and 1102.1; the Federal Civil Rights Act of 1964 (P.L. 88-352), as amended; and all applicable regulations promulgated in the California Code of Regulations or the Code of Federal Regulations.

11. Assignment. County has relied upon the skills, knowledge, experience and training of Contractor and the Contractor's firm, associates and employees as an inducement to enter into this Agreement. Contractor shall not assign or subcontract this Agreement without the express written consent of County. Further, Contractor shall not assign any monies due or to become due under this Agreement without the prior written consent of County.

12. Amendment and Modification. The Agreement may be amended by the mutual written consent of the parties; provided, however, the County may, at any time, without notice to any sureties, by written order designated or indicated to be a "contract modification," make any change in the work to be performed under this Agreement so long as the modified work is within the general scope of work called for by this Agreement, including but not limited to changes in the specifications or in the method, manner or time of performance of work. If the Contractor intends to dispute the change, the Contractor must, within ten (10) days after receipt of a written "contract modification," submit to the County a written statement setting forth the disagreement with the change.

13. Disputes. Any dispute arising under or relating to the terms of the Agreement, or related to performance under the Agreement, shall be decided in writing by the County contract manager. The Contractor shall be furnished a copy of the written decision and the decision shall be final and conclusive unless, within fifteen (15) calendar days from the date of receipt of such copy, the Contractor mails or delivers a written appeal to the Director of the County Department. The decision of the Director, or designee, shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary or so grossly erroneous as necessarily to imply bad faith, or not supported by any substantial evidence. Pending final decision on any dispute, the Contractor shall proceed diligently with the performance of work as directed by the contract manager unless the Contractor has received a notice of termination.

14. Waiver of Default. Waiver of any default by either party to this Agreement shall not be deemed to be waiver of any subsequent default. Waiver or breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent breach, and shall not be construed to be a modification of the terms of this Agreement unless this Agreement is modified as provided below.

15. Notice. Any notice or communication regarding Agreement that a party is required or may desire to make shall be in writing and may be personally served or sent by prepaid first class mail to the respective parties at the address set forth on the signature page of this Agreement. Notice is deemed received upon deposit in the mail.

16. Conflicts. Contractor agrees that it has no interest and shall not acquire any interest direct or indirect which would conflict in any manner or degree with the performance of the work and services under this Agreement.

17. Entire Agreement. The Agreement supersedes any and all other agreements, either oral or in writing, between any of the parties and contains all the agreements between the parties with respect to the subject matter of the Agreement. No other agreement, statement or promise not contained in this Agreement shall be valid or binding.

18. Advice of Attorney. Each party warrants and represents that in executing this Agreement, it has received independent legal advice from its attorneys or the opportunity to seek such advice.

19. Construction. Headings or captions to the provisions of this Agreement are solely for the convenience of the parties, are not part of this Agreement, and shall not be used to interpret or determine the validity of this Agreement. Any ambiguity in this Agreement shall not be construed against the drafter, but rather the terms and provisions hereof shall be given a reasonable interpretation as if both parties had in fact drafted this Agreement.

20. Governing Law and Venue. This Agreement shall be deemed to be made under, and shall be governed by and construed in accordance with, the laws of the State of California. Any action brought to enforce the terms or provisions of this Agreement shall have venue in the County of Stanislaus, State of California.

END OF STANDARD CONDITIONS (LONG FORM)

Exhibit "B"

County Minor Home Repair Program

SCOPE OF WORK:

PROGRAM DESCRIPTION

Maximum grant amount \$2,500. Maximum loan amount \$7,500; per household.

ALLOCATION:

RDA Amount \$50,000. HOME Amount \$109,375. TOTAL Amount: \$159,375
(RDA funds are for health and safety related projects that include but not limited to sewer connections- subject to loan committee approval)

PART ONE

The Contractor shall provide the following services:

Market the Minor Home Repair Program within the unincorporated limits of Stanislaus County.

Receive applications from property owner's desiring health and safety types of repairs.

Research property title; verify income, and other information necessary to determine program eligibility of potential participants.

Verify ownership using Realquest® software.

Verify homeowner's insurance at eligibility. Send request to insurance provider to have County listed as Additional Insured or a Loss Payable Endorsement. Yearly verification requested, but not required.

Conduct onsite pre-inspections to facilitate the preparation of work write-ups for contractor bidding.

Establish and maintain an eligibility list.

PART TWO

Conduct contractor-bidding process.

Award contracts and track project progress through completion.

Prepare and maintain files for all program participants. These files shall include all documents and information relative to the individual project per Redevelopment and H.O.M.E. Program standards. These files shall be current, complete records, including, but not limited to, contracts, source documents supporting accounting transactions, eligibility and service records as may be applicable, a ledger, personnel and payroll records, cancelled checks and related documents and records to assure proper accounting of funds and performance of this contract in accordance with Redevelopment and HOME regulations. To the extent permitted by law, County/Redevelopment Agency

is permitted access to all books, accounts or records of any kind for purposes of audit or investigation, in order to ascertain compliance with the provisions of this contract. Records shall be maintained for a period of five years or in accordance with 24 CFR Part 92.508 (c), whichever is longer.

The Contractor will cooperate in the preparation of, and will furnish any and all information required for reports to be prepared as may be required by Redevelopment and HOME regulations including, but not limited to the Consolidated Plan, the annual performance report and any quarterly reports required by the County and the Redevelopment Agency.

The Contractor agrees to defend, indemnify and hold harmless The County/Redevelopment Agency and its officers, employees, and agents from any and all acts, claims, omissions, liabilities and losses by whomever asserted arising out of acts or omissions of Contractor in the performance of the Scope of Work except those arising by reason of the sole negligence of the County/Redevelopment Agency, its officers, employees or agents.

Loan repayments, interest or other return on County/Redevelopment Agency investment of HOME and Redevelopment funds disbursed through this contract shall be collected by the Contractor and transferred to the County/Redevelopment Agency within 30 days of receipt. The County/Redevelopment Agency will hold any such funds for additional HOME and/or Redevelopment eligible activities.

The Contractor shall comply with all applicable laws, ordinances and codes of Federal, State and local governments, in the performance of this Agreement.

The Contractor agrees to comply will all requirements which are now or which may hereafter be imposed by HCD for the Redevelopment Agency and/or HUD for the HOME program, as well as such requirements as may be imposed by the City of Turlock/Stanislaus County HOME Consortium.

The Contractor shall be responsible for conducting the environmental review of any projects assisted through this contract in compliance with the National Environmental Protection Act and 24 CFR 58. A copy of any such review shall be sent to the County/Redevelopment Agency for Loan Committee's review, approval and formal acceptance.

The Contractor agrees that it will comply with the Americans with Disabilities Act and Title VII or the Civil Rights Acts of 1964, and that no person in the United States shall, on the grounds of race, creed, color, disability, sex, sexual orientation, national origin, age, religion, Vietnam era veteran's status, political affiliation or any other non-merit factors be excluded from participation in, be denied the benefits of or be subjected to discrimination under any program or activity funded in whole or in part with funds made available to the Contractor by the County/Redevelopment Agency pursuant to this contract.

- a. Deny any services or other benefit provided under the program or activity.
- b. Provide any service or other benefit which is different or is provided in a different form from that provided to others under the program or activity;

- c. Subject to segregated or separate treatment in any facility in or in any manner or process related to receipt of any service or benefit under the program or activity;
- d. Restrict in any way the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit under the program or activity;
- e. Treat an individual differently from others in determining whether that individual satisfies and admission enrollment, eligibility, membership or other requirement or condition which individuals must meet in order to be provided any service or other benefit provided under the program or activity; or
- f. Deny an opportunity to participate in a program or activity as an employee;

To comply with Redevelopment and HOME regulations funds must be spent within 15 days of disbursement The Contractor shall request reimbursements of incidental expenditures. In the case of a known large expense, the Contractor may request, in writing, from the County/Redevelopment Agency and advance of the necessary amount of the funds, which will be expended within the time, allowed. The amount of each request shall be limited to the amount needed.

GRANT CRITERIA:

Grants will only be available if the resident/owner is income eligible:

Grants will be for five (5) years following the date of recordation of the Notice of Completion.

Grants will contain the following restrictive covenants for the entire term of the grant.

- a. Owner shall not sell, transfer, convey, assign, rent, lease, encumber, mortgage or hypothecate the property.
- b. Owner shall continuously occupy the property as his or her residence.
- c. Owner shall maintain the property in post-rehabilitation condition.
- d. Owner shall comply with all laws affecting the property and its use.

The owner's failure to comply with any or all of the above restrictions shall make the entire grant amount immediately due and payable.

LOAN CRITERIA:

Loans will be available to qualified owners who are not income eligible for a grant or use the property as a rental.

Loans will accrue interest only for the first ^{TEN 10} fifteen (15) years of the loan at three (3) percent (%) per annum.

Monthly payments will be required, unless they meet eligibility criteria that necessitate deferral. In that case loans will be deferred for fifty-five (55) years as long as their

income remains the same. In this case loan payments may be made on a voluntary basis.

Loans will contain the following restrictive covenants for the entire fifty-five (55) year term of the loan.

- a. Owner shall not sell, transfer, convey, assign, rent, lease, encumber, mortgage or hypothecate the property.
- b. Owner shall continuously occupy the property as his or her residence.
- c. Owner shall maintain the property in post-rehabilitation condition.
- d. Owner shall comply with all laws affecting the property and its use.

The owner's failure to comply with any or all of the above restrictions shall make the principal and all accrued interest immediately due and payable.

COMPENSATION:

The Contractor shall be compensated for the services provided under this agreement as follows:

Construction and fees.

The Contractor shall be compensated fifty dollars (\$50.00) per completed application for the duties as outlined and one hundred dollars (\$100.00) per completed application that results in a completed rehabilitation project.

The Contractor shall be compensated at a rate of fifteen percent (15%) of the total construction cost for each project funded.

The Contractor shall be compensated at the rate of nine dollars and seventy-five cents (9.75) for each monthly loan payment processed.

The Contractor shall quarterly submit a written invoice identifying the name of the individual performing services, the date the services were performed, a description of the services, and the total cost of the services. Any requests for payment of reimbursable expenses shall be itemized on the invoice. The County/Redevelopment Agency shall pay the Contractor within forty-five (45) days of the receipt of the invoice.

SITTING AS THE REDEVELOPMENT AGENCY
THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Redevelopment Agency

BOARD AGENDA # 9:30 a.m. - VI-D

Urgent

Routine

AGENDA DATE June 26, 2007

CEO Concurs with Recommendation YES NO

4/5 Vote Required YES NO

(Information Attached)

SUBJECT:

Approval of a Memorandum of Understanding Between the Keyes Community Services District and the Agency Regarding the Relocation of Sanitary Sewer and Water Lines as Part of the Agency's Keyes Storm Drain Project and Authorize the Executive Director to Sign and Negotiate on Behalf of the Agency

STAFF RECOMMENDATIONS:

1. Approve the Memorandum of Understanding between the Keyes Community Services District and the Agency regarding the relocation of sanitary sewer and water lines as part of the Agency's Keyes Improvement Project.
2. Accept \$879,200.00 from the Keyes Community Services District for the proposed additional work to the Keyes Storm Drain Project.
3. Authorize the Executive Director to sign and negotiate on behalf of the Agency.

FISCAL IMPACT:

There are no fiscal impacts associated with this item.

BOARD ACTION AS FOLLOWS:

No. 2007-523

On motion of Supervisor Mayfield, Seconded by Supervisor Grover
and approved by the following vote,

Ayes: Supervisors: Mayfield, Grover, Monteith, DeMartini, and Chairman O'Brien

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:



ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

Approval of a Memorandum of Understanding Between the Keyes Community Services District and the Agency Regarding the Relocation of Sanitary Sewer and Water Lines as Part of the Agency's Keyes Storm Drain Project and Authorize the Executive Director to Sign and Negotiate on Behalf of the Agency
Page 2

DISCUSSION:

Introduction

The Keyes Community Services District has requested to partner with the Agency on the Keyes Storm Drain Project to complete district infrastructure improvements within their service area.

The Agency identified the Keyes Storm Drain Project for construction in its 2005-2009 Implementation Plan. Steps to fund both the design and the construction of the project were completed in FY 2005/2006, and the Agency has now begun construction and will complete Phase One of the project by the end of June 2007 and Phase Two is scheduled to commence in August 2007. This project has remained on schedule and within the allocated budget.

Scope of Work

The District is requesting the Agency to expand the scope of work of the Keyes Storm Drain Project to include relocate certain sanitary sewer and water lines to improve the service of the area.

The overall project is being delivered under a two-phased construction approach. Phase One is currently underway and consists of the construction and installation of a Continuous Deflective Separator (CDS) Storm Water Treatment Unit (SWTU), in accordance with the California Environmental Protection Agency, State Water Resources Control Board (SWRCB). The second phase will consist of detention basin improvements including a pumping station and a storm drain collection system with full width street improvements.

The proposed additional work by the District would be included in the bid process for Phase Two of the Project. The District has proposed to pay for the cost of construction and all related labor for the additional work as specified in the Memorandum of Understanding (see Attachment 1) to the Project plus 5% for construction management for an estimated total of \$902,750.00.

Costs associated to assure the delivery of the proposed additional work in the amount of \$879,200.00 (\$785,000.00 contract + \$78,500.00 contingency + \$15,700.00 for construction management) will be paid to the Agency by the District.

POLICY ISSUES:

The project described supports the Board of Supervisors priority of a well-planned infrastructure and efficient delivery of services and is consistent with the Redevelopment Implementation Plan, the Stanislaus County General Plan, the Stanislaus County Capital Improvements Plan, and the Community Development Block Grant Consolidated Plan. The project also addresses the priority of effective partnerships in the community.

Approval of a Memorandum of Understanding Between the Keyes Community Services District and the Agency Regarding the Relocation of Sanitary Sewer and Water Lines as Part of the Agency's Keyes Storm Drain Project and Authorize the Executive Director to Sign and Negotiate on Behalf of the Agency
Page 3

STAFFING IMPACT:

No additional staff is necessary.

ATTACHMENTS:

1. Memorandum of Understanding

**MEMORANDUM OF AGREEMENT
BETWEEN
STANISLAUS COUNTY REDEVELOPMENT AGENCY AND
KEYES COMMUNITY SERVICES DISTRICT**

(Relocation of Sanitary Sewer and Water Lines)

This Memorandum of Agreement regarding for the relocation of sanitary sewer and water lines (the "Agreement") is made and entered into by and between Stanislaus County Redevelopment Agency ("Agency") and the Keyes Community Services District ("District") effective June 26, 2007.

Whereas, the Agency has allocated redevelopment funds for installation of a storm drain collection system, curbs and gutters, and new street sections within the Community of Keyes in the unincorporated area of Stanislaus County (the "Agency Project"); and

Whereas, Stanislaus County Department of Public Works ("PW") serves as the Project Manager under a Memorandum of Understanding between the Agency and PW, to manage the delivery of the design and construction efforts for the Agency Project; and

Whereas, the District intends to undertake the Keyes Community Services District Water and Sewer Relocations Project to improve its service infrastructure (the "District Project"); and

Whereas, the District and the Agency agree that combining each party's improvement projects will reduce the cost of performing this work, and will serve the public interest by promoting public health, safety, welfare, providing a well-planned infrastructure system, supporting efficient delivery of public services, and creating effective partnerships;

Now, Therefore, in consideration of the following mutual promises, covenants, terms and conditions, the parties agree as follows:

TERMS AND CONDITIONS

A. Agency Rights and Responsibilities.

1. The Agency agrees to advertise and solicit bids for a public works contract for the Agency Project, and to include the District Project as a part of the Agency Project in accordance with the terms of this Agreement as "Additive Alternative No. 1." The Agency shall provide to the District copies of the bid received from the apparent low bidder for the Project within 10-days after bid closing.

2. The Agency will award a contract to the lowest responsible bidder for the Agency Project. The Agency shall include Additive Alternative No. 1 in the contract award if the District, in its sole discretion, elects to accept the bid for Additive Alternative No. 1 as provided in Section B.2 of this Agreement.

3. The Agency shall provide project administration (including, but not limited to, billing reporting, and negotiating change orders) for both the Agency Project and the District Project, and shall provide construction inspection, testing and quality assurance for only the Agency Project.

B. District Rights and Responsibilities.

1. The District will provide the Agency bid documents for the District Project adequate for the Agency to include as part of the advertised bid package for the Project.

2. The District will notify the Agency within 30-days after receipt of the Project bid documents from the apparent low bidder, whether the District elects to accept or reject Additive Alternative No. 1.

3. After award of a contract, with concurrence of the Agency, the District has the option to delete from or add to its portion of the Project (Additive Alternative No. 1), and shall pay within 30-days of issuance of any change order the additional cost and/or penalties incurred due to such changes to the original contract entered with the contractor.

4. The District shall provide oversight and construction inspection, testing and quality assurance during the installation of its improvement facilities (Additive Alternative No. 1) during construction.

5. The District shall pay to the Agency the actual cost of construction plus two percent for project administration for Additive Alternative No. 1 in accordance with the following formula:

(a) The actual cost of construction for Additive Alternative No. 1, estimated to be \$785,000.00 per the District's Engineer; plus

(b) The cost of project administration computed at two percent of the actual cost of construction for Additive Alternative No. 1, estimated at \$15,700.00; plus

(c) The cost of construction contingency computed at ten percent of the estimated construction cost for Additive Alternative No. 1, estimated at \$78,500.00

6. The District will deposit with the Agency the sum of \$879,200.00, or the actual cost of the accepted bid and its related associated cost as described in Section 5, whichever is less, within 5-days after the Project contract is awarded, which amount is the full estimated cost of construction and project administration for Additive Alternative No. 1.

7. After recording a notice of completion and acceptance by the District of the work performed for Additive Alternative No. 1, the parties shall determine the actual cost of construction for Additive Alternative No. 1, and shall substitute the actual costs for the estimated cost of construction. The project administration cost shall be adjusted to reflect a total of two percent of the actual construction cost of Additive Alternative No. 1. If the actual costs exceed the estimated cost deposited with the Agency under Section 6 above, the District shall pay the difference to the Agency within 60-days of determination. If the actual costs are less than the estimated cost deposited with the Agency under Paragraph 6 above, the Agency shall reimburse the difference to the District within 60-days of determination.

8. The District obligations under Sections B.3 through B.7 of this Agreement, inclusive, shall terminate if the District elects not to accept Additive Alternative No. 1 as set forth in Section B.2 herein.

C. Agency and District Mutual Rights and Obligations.

1. Indemnity. Neither party, nor any of its officers or employees, shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by the other party under or in connection with any work delegated to that party under this Agreement. The parties further agree, pursuant to Government Code Section 895.4, that each party shall fully indemnify and hold harmless the other party and its agents, officers, employees and contractors from and against all claims, damages, losses, judgments, liabilities, expenses and other costs, including litigation costs and attorney fees, arising out of, resulting from, or in connection with any work delegated to or action taken or omitted to be taken by such party under this Agreement.

2. Severability. If any portion of this Agreement or application thereof to any person or circumstance shall be declared invalid by a court of competent jurisdiction or if it is found in contravention of any federal, state or county statute, ordinance or regulation the remaining provisions of this Agreement of the application thereof shall not be invalidated hereby and shall remain in full force and effect to the extent that the provisions of this Agreement are severable.

3. Waiver of Default. Waiver of any default by either party to this Agreement shall not be deemed to be waiver of any subsequent default. Waiver or breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent breach, and shall not be construed to be a modification of the terms of this Agreement and attached to the original Agreement to maintain continuity.

4. Amendment. This Agreement maybe modified, amended, changed, added to or subtracted from by the mutual consent of the parties hereto if such amendment or change is in written form and executed with the same formalities as this Agreement and attached to the original Agreement to maintain continuity.

5. Notice. Any notice, communication, amendment, addition or deletion to this Agreement, including change of address of either party during the term of this

Agreement, which District or Agency shall be required or may desire to make shall be in writing and may be personally served or, alternatively, sent by prepaid first class mail to the respective parties as follows:

To Agency: Stanislaus County Redevelopment Agency
Attention: Ron Freitas, Executive Director
1010 Tenth Street, Suite 3400
Modesto, CA 95354

To District: Keyes Community Services District
Attention: Chairman of the Board
P.O. Box 699
Keyes, CA 95328

6. Entire Agreement. This Agreement supersedes any and all other agreements, either oral or in writing, between any of the parties herein with respect to the subject matter hereof and contains all the agreements between the parties with respect to such matter. Each party acknowledges that no representations, inducements, promises or agreements, oral or otherwise, have been made by any party, or anyone acting on behalf of any party, which is not embodied herein, and that no other agreement, statement or promise not contained in this Agreement shall be valid or binding.

7. Advice of Attorney. Each party warrants and represents that in executing this Agreement, it has received independent legal advice from its attorneys or the opportunity to seek such advice.

8. Construction. Headings or captions to the provisions of this Agreement are solely for the convenience of the parties, are not part of this Agreement, and shall not be used to interpret or determine the validity of this Agreement. Any ambiguity in this Agreement shall not be construed against the drafter, but rather the terms and provisions hereof shall be given a reasonable interpretation as if both parties had in fact drafted this Agreement.

9. Governing Law and Venue. This Agreement shall be deemed to be made under, and shall be governed by and construed in accordance with, the laws of the State of California. Any action brought to enforce the terms or provisions of this Agreement shall have venue in the County of Stanislaus, State of California.

— Signatures on Following Page —

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives, on the date and year first above written.

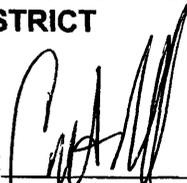
**STANISLAUS COUNTY
REDEVELOPMENT AGENCY**

By: 

Ron E. Freitas
Executive Director

"Agency"

**KEYES COMMUNITY SERVICES
DISTRICT**

By: 

Curtis Snell
Chairman of the Board of Directors

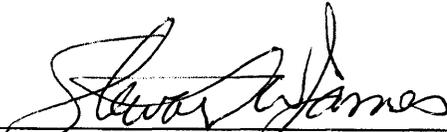
"District"

APPROVED AS TO FORM:
Michael H. Krausnick
County Counsel

By: 

John P. Doering
Assistant County Counsel

APPROVED AS TO FORM:

By: 

Stewart James, Esq.
District Counsel

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