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PROFESSIONAL SERVICES AGREEMENT

Between

THE COUNTY OF SANTA BARBARA

And

VANIR CONSTRUCTION MANAGEMENT, INC.

For

PROFESSIONAL CONSTRUCTION MANAGEMENT SERVICES
NORTH COUNTY CRISIS RESIDENTIAL TREATMENT FACILITIES PROJECT
ASSESSOR'S PARCEL NUMBER 113-210-024, SANTA MARIA, CALIFORNIA

PROJECT NUMBER: 25116

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PROFESSIONAL SERVICES AGREEMENT

FOR

PROFESSIONAL CONSTRUCTION MANAGEMENT SERVICES

This Professional Services Agreement ("Agreement") is entered into by and between THE COUNTY OF SANTA BARBARA ("Owner" or "County") and VANIR CONTRUCTION MANAGEMENT, INC., a CALIFORNIA CORPORATION ("Consultant" or "Contractor" and, together with County, collectively, the "Parties" and each individually a "Party").

PART 1 - RECITALS

1.01 WHEREAS, this Professional Services Agreement ("PSA" or "Agreement") sets forth the terms and conditions pursuant to which Consultant, as a professional, will provide professional construction management services to Owner in connection with the North County Crisis Residential Treatment Facilities Project ("Project"); and

1.02 WHEREAS, Consultant was selected by means of the County's qualifications-based selection process, and represents itself as a professional having the requisite qualifications, licenses and agrees to perform the Services defined herein.

NOW, THEREFORE, Owner and Consultant agree as follows:

PART 2 - PROJECT AUTHORIZATION, TERM AND MAXIMUM COMPENSATION

2.01 Agreement For Services

A. This PSA sets forth the terms and conditions pursuant to which Consultant, as a professional, will provide services to the County as set forth herein ("Services").

2.02 Maximum Compensation

A. The sum of all payments made to Consultant pursuant to this PSA for the performance of the Services specified in the SOW and Attachment 1 shall not exceed One-Million Nine-Hundred Fifty-Nine Thousand Two-Hundred Five Dollars and Sixty-Seven Cents ($1,959,205.67) ("Base Contract Amount"). The sum of all payments made to Consultant for the performance of Supplemental Services performed pursuant to a duly executed Change Order in accordance with Part 10.03 below shall not exceed the Supplemental Services Amount set forth in Section 1.c of Exhibit C, attached hereto ("Supplemental Services Amount"). In no event shall the aggregate amount of all payments made by the County hereunder exceed the Maximum Compensation Limit specified in Section 1.d of Exhibit C, attached hereto ("Maximum Compensation Limit" or "MCL"). If Consultant performs services or incurs expenses beyond the Base Contract Amount before execution of a Change Order for Supplemental Services in accordance with Part 10.03, or in excess of the Maximum Compensation Limit, Consultant does so at Consultant's sole risk and expense.

2.03 Term

A. This PSA is effective as of first the date it is duly executed by both of the parties hereto, and shall remain in effect for a period of 36 months (3 years) thereafter, unless earlier terminated in accordance with the provisions of this Agreement ("Term").

2.04 Scope

A. The services ("Services") and deliverables ("Deliverables") described in "Consultant's Scope of Work & Hourly Rates," attached hereto as Exhibit A and Attachment 1 and incorporated herein

by reference (Exhibit A and Attachment 1, collectively, the "SOW"), establish the extent of the Services and Deliverables that may be authorized by the Owner's Project Manager ("OPM") hereunder.

PART 3 - OWNER'S RESPONSIBILITIES

3.01 Owner Provided Information

A. If required and where available, Owner may provide any of the following for Consultant's use in connection with the Services:

(i) Specialized studies of existing site conditions, including the presence of hazardous materials, soil, air, water, pollution, etc.

B. Consultant must make a written recommendation to the Owner regarding the completeness or sufficiency of any survey or specialized study provided to Consultant, or the need for any study or survey that the Consultant believes is required for the Project that is not included within Consultant's Services.

3.02 Approval & Permit Fees

A. Owner will pay all fees required by any jurisdiction having authority over the Project for filing and checking of any filing prepared by Consultant that is required for the performance of the Services, and such standard fees as are charged any governmental Agency for the issuance of approvals and permits by such governmental agency necessary for the performance of the Services.

PART 4 - PROJECT SCOPE OF WORK (SOW)

4.01 Changes in Scope

A. If Owner causes a change in the Service(s) or Deliverable(s) that Consultant believes to be material, Consultant must, within fourteen (14) calendar Days of the event that caused such change, notify Owner in writing that Consultant contends Owner has caused a material change in the Service(s) or Deliverable(s). If written notice is not given to Owner within such 14-day period, such change shall be deemed immaterial, and Consultant shall not be entitled to additional compensation for such change. If the Director of the County's General Services Department ("Director"), or his Assistant Director designee, concurs that there has been a material change in Service(s) or Deliverable(s) required by Owner hereunder, payment to Consultant may be adjusted pursuant to a Change Order for Supplemental Services duly executed by both of the parties hereto in accordance with Parts 10.01.A.3, and 10.03, below; provided, however, that Consultant shall not be entitled to any Supplemental Services Amount unless and until memorialized in a duly executed Change Order, and in no event shall the aggregate amount of payments to Consultant hereunder exceed the MCL.

B. If Consultant contends that there is a material increase in the Service(s) or Deliverable(s) required to complete the Services and requests additional compensation hereunder for the performance of such Supplemental Services, and such increase is not in any way attributable to any act or omission of, or on behalf of, Consultant or any Subconsultant, including, but not limited to, faulty or inaccurate calculations or estimations made by or on behalf of Consultant, and the Director, or his Assistant Director designee, concurs that there has been a material change in Service(s) or Deliverable(s) required by Owner hereunder, payment to Consultant hereunder may be adjusted pursuant to a Change Order for Supplemental Services duly executed by both of the parties hereto in accordance with Parts 10.01.A.3 and 10.03, below; provided, however, that Consultant shall not be entitled to any Supplemental Services Amount unless and until memorialized in a duly executed Change Order, and in no event shall the aggregate amount of payments to Consultant hereunder exceed the MCL. OPM may request, and Consultant, pursuant to such request, shall provide, assistance in re-allocating the remaining available funds available hereunder. Such assistance must, if requested by OPM,

also include a determination of any other Supplemental Services necessary to complete the Project.

C. If there is a material decrease in the Services or Deliverables required to complete the Services, Consultant If shall immediately notify OPM of such decrease, and agrees to accept a reasonable corresponding reduction in compensation hereunder.

PART 5 - CONSULTANT'S RESPONSIBILITIES, SERVICES, AND DELIVERABLES

5.01 Consultant as Independent Contractor

A. Consultant is performing all Services as an independent contractor, and not as an agent or employee of County.

5.02 No Assignment; Consultant's Use of Subconsultants

A. The expertise and experience of Consultant are material considerations for County's execution of this Agreement. Consultant shall not assign, delegate, or transfer, directly or indirectly, whether by operation of law or otherwise, this PSA or any of Consultant's rights or obligations hereunder, without the prior written consent of County in each instance, and any attempt to so assign, delegate, or transfer this Agreement, or any rights, duties or obligations arising hereunder, shall be void and of no effect. Notwithstanding the foregoing, Consultant may use the subconsultants set forth in Exhibit B, attached hereto and incorporated herein by reference ("Subconsultants"), in performing the Services under this Agreement. Consultant shall be responsible for directing the work of authorized Subconsultants, and for all compensation and benefits due to Subconsultants, if any. County assumes no responsibility whatsoever concerning such compensation or benefits. Consultant shall not engage any subconsultant(s) in the performance of Services, other than the Subconsultants identified in Exhibit B, without the prior written approval of the OPM in each instance.

5.03 Consultant's General Responsibilities

The following General Responsibilities shall apply to all Services under this Agreement.

A. Standard of Care

1. Consultant shall perform all Services in accordance with those standards of care that are generally recognized as being used by competent persons in Consultant's profession and area of specialty in the State of California.

2. At all times during the Term, Consultant shall ensure the performance of all Services in compliance with all applicable federal, state, and local codes, statutes, laws, regulations and ordinances ("Applicable Laws").

3. Consultant shall use its professional judgment and expertise to verify interpretations of Applicable Laws from the appropriate government agency(ies) and authorities having jurisdiction over the Project. Such efforts shall be undertaken in accordance with the Standard of Care.

B. Funding by Governmental Agencies

1. If the Project is to be constructed, wholly or in part, with funds from Federal, State, or other outside funding sources, Consultant shall comply with all requirements of all such Federal, State, and outside funding sources. The Project is funded by the Behavioral Health Continuum Infrastructure Program (BHCIP). Mandatory state requirements, including audit, record retention, and equal employment opportunity provisions required to be incorporated into all subcontracts, are set forth in Exhibit F. Consultant shall strictly comply with all provisions contained therein.

C. HCAI (formally known as OSHPD) Jurisdiction

1. If the Project is within the jurisdiction of the State of California, Department of Health Access and Information ("HCAI" formally known as OSHPD), Consultant's Deliverables and performance of Service must meet all HCAI requirements.

D. Sequence of Consultant's Services

1. Consultant's Services shall proceed sequentially as described in the SOW unless otherwise agreed or directed by the Owner via a duly executed Change Order.
2. The Phasing Schedule for completion of the Consultant's Services is set forth in the SOW.

E. Submittal of Deliverables

1. Each submittal of a Deliverable by Consultant to Owner hereunder shall include a declaration statement, signed by a duly authorized officer of Consultant, that Consultant coordinated the work of Consultant and its Subconsultants, that such Deliverable is accurate and complete, and that all of Owner's prior review comments have been incorporated therein.
2. Consultant shall furnish to Owner, in form and format suitable for reproduction, original reproducible files and other instruments of Service, and computer flash drives containing each submittal to County hereunder in the following electronic formats: Microsoft PC compatible operating system, AutoCAD 2004 or newer, Microsoft Office 2003 or newer.

F. Printing & Reproduction

1. Consultant shall pay for all printing and reproduction cost incurred in the performance of the Services.
2. Owner will print coordination check documents to be used by the Owner beyond the number of copies identified in the SOW at Owner's expense.
3. If applicable to this PSA, Owner will print Bid Documents for distribution to Bidders at Owner's expense.

G. Meetings

1. Required meetings are as specifically identified in the SOW.
2. Unless otherwise requested by the OPM, Consultant shall prepare agendas for and take minutes of all meetings conducted or attended by Consultant in connection with the performance of Services hereunder. This includes meetings that are chaired by the OPM.
3. The Consultant's compensation for attendance at and preparation of minutes for all such meetings is included in Base Contract Amount.

H. Consultant's Staff and Subconsultants

1. Consultant's staff and Subconsultants are identified in Exhibit B, and are subject to the requirements set forth therein.
2. Changes to Consultant's staff and Subconsultants are subject to Owner's prior written approval via a duly executed Change Order.

5.04 Basic Services & Deliverables: See Exhibit A

PART 6 - CONSULTANT'S SCHEDULE

6.01 Schedule

A. Consultant shall promptly perform all Services and Deliverables in accordance with the Project schedule approved by the County.

B. Consultant shall perform all Services and Deliverables within the time and Project schedule set forth in this Agreement. Time is of the essence in this Agreement.

C. Consultant shall provide and maintain Project staffing levels as necessary to perform the Services within the time provided in the Project schedule set forth in this Agreement.

PART 7 - INDEMNIFICATION & INSURANCE

7.01 Exhibit D Indemnification and Insurance Requirements

A. Consultant shall comply with all indemnification and insurance requirements set forth in Exhibit D, attached hereto and incorporated herein by reference.

PART 8 - REPRESENTATION BY COUNSEL

A. Both parties to this PSA were represented by counsel in the negotiation and execution of this PSA.

B. The parties hereto are aware of the provisions set forth in California Civil Code §1717 and intend this paragraph of the PSA to meet said statutory requirements so that the reference to attorneys' fees in Part 7, "Indemnification & Insurance" applies only in the indemnification context in Part 7, "Indemnification & Insurance."

PART 9 - HAZARDOUS MATERIALS

9.01 Responsibility for Hazardous Materials

A. Owner acknowledges that Consultant has no special knowledge or expertise regarding asbestos or other hazardous materials.

B. Unless otherwise provided in this PSA, or unless Owner has provided documented information to Consultant regarding the presence or potential presence of such hazardous materials Consultant and its Subconsultants have no responsibility for the discovery, presence, handling, removal or disposal of, or exposure of persons to, hazardous materials in any form at the Project site, including but not limited to asbestos, asbestos products, polychlorinated biphenyl (PCB) or any other toxic substance.

PART 10 - COMPENSATION & PAYMENT

10.01 Compensation

A. Payments will be made as set forth herein

1. Maximum Compensation Limit

   a. The Maximum Compensation Limit includes the maximum aggregate amount of compensation payable by the Owner to Consultant hereunder. Total payment by Owner to Consultant shall not exceed the Maximum Compensation Limit specified in Exhibit C, attached hereto and incorporated herein by reference. Consultant is fully responsible for the provision of all Services and Deliverables, compensation for which shall not exceed the MCL.

2. Consultant's Compensation Schedule

   a. Compensation payable to Consultant hereunder for Consultant's performance of the Services comprising of Construction Management services as set forth in the SOW shall be on an hourly basis as set forth in the SOW and Exhibit C. Invoices shall be submitted on a monthly basis for the prior months' services and are due to the County by the 10th of each month.

   b. Consultant's Hourly Rate Schedule, applicable to the Services and Deliverables and any Supplemental Services, is set forth in the SOW.

3. Changes

    a. During the Term of this PSA, the Owner may authorize changes to this PSA, other than by amending this PSA in accordance with Part 15.B., below, only in accordance with Part 4.01, above, and Part 10.03, below, and only to the extent authorized by the Board of Supervisors in approving this PSA.

4. Prevailing Wages

    a. Certain Services to be performed under this contract may be considered "public works" subject to prevailing wage, apprenticeship and other labor requirements of Labor Code division 2, part 7, chapter 1, section 1720 et seq. Such public works may include work performed during the design and preconstruction phases of construction including, but not limited to, inspection and land surveying work. Consultant is solely responsible for determining whether the Services, or any portion thereof, is subject to said requirements, and for complying with all such requirements that apply. All such public works projects are subject to compliance monitoring by the California Department of Industrial Relations (DIR). County has obtained from the DIR general prevailing wage determinations for the locality in which the Work is to be performed that are on file with County's Public Works Agency and are available upon request. Consultant is responsible for posting job site notices as prescribed by regulation pursuant to Labor Code section 1771.4(a)(2). Consultant acknowledges that it is aware of state and federal prevailing wage and related requirements and shall comply with these requirements to the extent applicable to the Services, including, without limitation, Labor Code sections 1771 (payment of prevailing wage), 1771.1 (registration with DIR) and 1771.4 (submission of certified payrolls to Labor Commissioner) Consultant has included (and shall include) consideration for this obligation in calculating compensation and cost estimates under this PSA.

5. Errors and Omissions

    a. Consultant must correct all errors and omissions attributable to acts and/or omissions of and/or on behalf of Consultant and/or Subconsultants without cost to Owner.

    b. Owner has the right to pursue claims for any negligent errors and omissions of or on behalf of Consultant and/or Subconsultant(s).

10.02 Reimbursable Expenses

A. When travel is authorized as a reimbursable expense, Consultant agrees to comply with the Santa Barbara County and Federal travel policies and guidelines, where applicable, for all travel, lodging and meal reimbursements arising from the performance of this Agreement. Detailed travel policy requirements and limitations can be found in the Capital Projects Division.

B. All reimbursable expenses hereunder, including travel, mileage, copying, printing, plotting, And visualizations are included in the designated "Base Contract Amount" in Section 1.a of Exhibit C and shall be invoiced only as incurred, on a monthly basis with regular billings for the Base Contract scope (refer to 10.01.2.a).

10.03 Supplemental Services & Deliverables

A. To the extent that County has established a Supplemental Services Allowance ("SSA") for the performance of services not included within the Services and Deliverables, such SSA is set forth in Section 1.c of Exhibit C. Consultant shall only commence work other than as set forth in the SOW pursuant to a Change Order duly executed by the Director or his Assistant Director designee ("Change Order"), and only to the extent expressly authorized by the County Board of Supervisors in approving this PSA.

10.04 Payment

A. Payment Requests

1. Owner will make payments within thirty (30) Days after the OPM's approval of the Consultant's correct Payment Request.

B. Invoices

1. Consultant may submit a Payment Request not more than once each month.

C. Progress Payments

1. Owner may, in its discretion, adjust any progress payment so that it corresponds with the percentage of completion as reasonably determined by Owner.

10.05 Release of All Claims

A. Prior to final payment hereunder, Consultant must execute and deliver to Owner a release of all claims arising from this Agreement, other than such claims, if any, as may be specifically excepted from the release for the reasons and in the amounts stated in the release.-

10.06 Timely Billings

A. Consultant agrees to bill Owner on a timely basis and not later than ninety (90) Days after:

1. Services are performed; or

2. Billings are otherwise due pursuant to the terms of the PSA.

B. Owner has no liability for payment of, and has sole discretion to pay or decline payment of, any billings submitted after the expiration of such ninety (90) Day period.

10.07 Consultant's Accounting Records

A. Accounting System & Records Retention

1. Consultant must maintain an accounting system in accordance with current standards of accounting and financial reporting for the purpose of supporting payments for Services authorized under this PSA. Consultant must retain such records for three (3) years after expiration or termination of this PSA, or until all claims, if any, have been disposed of, whichever period is longer.

B. Owner's Auditing Rights

1. Upon service of a written Notice to Consultant, Owner, and persons authorized by Owner, have the right at any reasonable time and place to examine, audit, and make copies of books, records, documents, accounting procedures and practices relating to the performance or administration of this PSA, or affecting any changes or modifications to this PSA.

C. Applicability to Subcontracts

1. Consultant must incorporate the above-stated accounting and audit requirements into all subcontracts, including, but not limited to, contracts with Subconsultants, exceeding Ten Thousand Dollars ($10,000) in value in connection with this PSA, including any modification(s) thereof.

PART 11 - TERM & TERMINATION

11.01 Owner's Rights

A. Termination for Convenience

1. The Director may, by written notice to Consultant, terminate all or part of this PSA at any time for Owner's convenience. Upon receipt of such notice, Consultant must immediately cease all work hereunder as specified in the notice.

2. If this PSA is so terminated, Consultant will be compensated as set forth below.

B. Termination for Breach

1. If Consultant violates any of the covenants or agreements of this PSA, or if Consultant fails to fulfill in a timely and proper manner its obligations pursuant to this PSA, and does not cure such failure or violation within thirty (30) days, or such shorter period as the Owner may determine is necessary and appropriate, after receipt of written notice from the County's OPM specifying such failure or violation, whether subject to cure, and, if subject to cure, the time and manner of cure, Owner may terminate this PSA in accordance with Part 11.01.A.1, above.
2. Owner will provide Consultant with written notice as to the effective date of termination, and Consultant is not entitled to compensation for Services or expenses beyond the specified termination date.
3. If, after notice of termination for breach of this PSA, it is determined that Consultant did not breach this PSA, the termination will be deemed to have been made for Owner's convenience, and Consultant will receive payment due to Consultant for Services performed prior to such termination for convenience in accordance with Section 11.02, below.

C. Suspension for Convenience

1. OPM may, without cause, order Consultant in writing to suspend, delay, or interrupt the Services under this PSA in whole or in part for up to 90 days. COUNTY shall incur no liability for suspension under this provision, and such suspension(s) shall not constitute a breach of this Agreement.

D. The rights and remedies provided herein to Owner are cumulative and in addition to any other rights and remedies provided by law in this PSA.

11.02 Consultant's Compensation Upon Termination

A. In the event of Owner's termination of this PSA, Consultant will receive compensation as follows:

1. For fully Deliverables and Services performed and delivered by Consultant and accepted by County, and authorized Reimbursable Expenses pursuant to this PSA, compensation will be in the amount specified in the PSA for such Deliverables, Services, and authorized expenses.
2. For items of Service on which Owner has issued an Authorization to Proceed but which have not been fully completed and accepted, Consultant will be compensated for its Services accepted by Owner in an amount which bears the same ratio to the total fee otherwise payable for the performance of that Service as the Services performed bear to the total Services necessary for the full performance of that Service.

B. In no event will the total compensation paid for any item of Service exceed the value specified in this PSA for such item of Service.

11.03 Delivery of Documents

A. Upon any termination of this PSA, Consultant shall furnish Owner all documents and Instruments of Service prepared pursuant to this PSA, whether complete or incomplete. Consultant may retain a copy for its records if so provided by Owner in such notice of termination.

PART 12 - DISPUTE RESOLUTION

12.01 Consultant's Questions & Concerns

A. Questions regarding the terms, conditions and Services of this PSA will be decided by the County's Director of General Services, who will furnish the decisions to Consultant in writing within thirty (30) Days after receiving a written request from Consultant.

12.02 Dispute Resolution During Construction

A. Alternate Dispute Resolution (ADR)

1. Owner intends, but shall not be required, to use ADR techniques including Partnering and Mediation during Design.

B. Consultant and its Subconsultants shall participate in all ADR efforts as directed by Owner.

C. In the event that Owner elects to utilize such ADR, the cost of such Partnering training facilities and facilitator will be borne equally by the parties hereto.

12.03 Negotiations Before and During Mediation

A. Negotiations to resolve disputes before and during Mediation are initiated for settlement purposes only and are not binding unless otherwise agreed by Owner and Consultant.

12.04 Mediation

A. Voluntary Mediation

1. In the event a dispute or issue is not resolved by negotiation, Owner and Consultant agree to attempt to resolve the matter by Mediation.

2. Said Mediation is non-binding, and intended to provide an opportunity for the parties hereto to evaluate each other's cases and arrive at a mutually agreeable solution.

B. Initiation of Mediation

1. Any party hereto may initiate Mediation by notifying the other party hereto in writing.

C. Request for Mediation

1. A Request for Mediation must contain a brief statement of the nature of the dispute or claim, and the names, addresses, and phone numbers of all parties to the dispute or claim, and those who will represent them, if any, in the Mediation.

2. Within ten (10) days of a Party's receipt of a Request for Mediation, the Party in receipt of such Request for Mediation shall provide to the requesting Party a written response indicating whether the receiving Party is willing to participate in voluntary, non-binding mediation with respect to such dispute or claim.

D. Selection of Mediator

1. Within fourteen (14) days of a Party's written response to a Request for Mediation indicating that such Party is willing to participate in meditation with respect to the dispute or claim at issue, the Parties hereto will confer to select an appropriate mediator agreeable to all Parties.

2. If the Parties hereto cannot agree on a mediator, they may accept a mediator appointed by a recognized association such as the American Arbitration Association.

E. Qualifications of a Mediator:

1. Any mediator selected hereunder ("Mediator") must have expertise in the area of the dispute and be knowledgeable in the Mediation process.

2. No person shall serve as a Mediator in any dispute in which that person has any financial or personal interest in the result of the Mediation.

3. Before accepting an appointment, the prospective Mediator must disclose any circumstances likely to create a presumption of bias or prevent a prompt meeting with the parties. Upon receipt of such information, the Parties will confer and decide whether to select another Mediator.

F. Vacancies

1. If any Mediator becomes unwilling or unable to serve, another Mediator will be selected unless the Parties agree otherwise.

G. Representation

1. Any Party may be represented in the Mediation by person(s) of their choice who must have full authority to negotiate.
2. The names and addresses of such representative(s) must be communicated in writing to all Parties and to the Mediator.

H. Time and Place of Mediation

1. The Mediator will set the time of each Mediation session.
2. The Mediation will be held at a convenient location agreeable to the Mediator and the Parties, as determined by the Mediator.
3. All reasonable efforts will be made by the parties hereto and the Mediator to schedule the first session within sixty (60) Days after selection of the Mediator.

I. Identification of Matters in Dispute

1. Unless a longer period of time is required by the Mediator, at least ten (10) days before the first scheduled Mediation session, each Party must provide the Mediator a brief memorandum setting forth such Party's position with regard to the issues identified in the Request for Mediation, and any other pertinent issues that such Party believes need to be resolved. At the discretion of the Mediator, or otherwise agreed by the Parties, the Parties hereto may mutually exchange such memoranda.
2. At the first Mediation session, the Parties will be expected to produce all information reasonably required for the Mediator to understand the issue(s) presented. The Mediator may require each Party to supplement such information.

J. Authority of Mediator

1. The Mediator does not have authority to impose a settlement on the Parties, but will attempt to assist the parties hereto in reaching a satisfactory resolution of their dispute.
2. The Mediator is authorized to conduct joint and separate meetings with the Parties, and to make oral and written recommendations for settlement.
3. Whenever necessary, the Mediator may also obtain expert advice concerning technical aspects of the dispute, provided that the Parties agree in writing in advance to such outside expert advice, to assume the expenses of obtaining such expert advice, and whether the arrangements for obtaining such expert advice will be made by the Mediator or one or more of the Parties.
4. The Mediator is authorized to end the Mediation whenever, in the Mediator's judgment, further Mediation efforts would not contribute to a resolution of the dispute between the Parties.

K. Privacy

1. Mediation sessions are private.
2. The Parties and their representatives may attend Mediation sessions.
3. Other persons may attend Mediation sessions only with the prior written consent of each of the Parties , and with the consent of the Mediator.

L. Confidentiality

1. The Mediator will not divulge confidential information disclosed to a Mediator by the Parties or by witnesses in the course of the Mediation.
2. All records, reports, or other documents received by a Mediator while serving as Mediator, are confidential.

3. The Mediator must not be compelled to divulge such records or to testify in regard to the Mediation in any adversary proceeding or judicial forum.
4. The Parties shall maintain the confidentiality of the Mediation and shall not rely on, or introduce as evidence in any arbitration, judicial or other proceedings:
    a. Views expressed or suggestions made by the other Party with respect to a possible settlement of the dispute;
    b. Statements made by the other Party in the course of the Mediation proceedings;
    c. Proposals made or views expressed by the Mediator;
    d. Whether the other Party had or had not indicted willingness to accept a proposal for settlement made by the Mediator.

M. No Stenographic Record

1. There shall be no stenographic record of the Mediation.

N. Termination of Mediation

1. The Mediation shall be terminated:
    a. By the execution of a Settlement Agreement by the Parties with respect to the issues subject to the Mediation;
    b. By a written declaration of the Mediator to the effect that further efforts at Mediation are no longer worthwhile; or
    c. By a written declaration of one or more of the Parties to the effect that the Mediation proceedings are terminated.

O. Exclusion of Liability

1. No Mediator shall be a necessary party in judicial proceedings related to the Mediation.

P. Interpretation and Application of These Mediation Provisions

1. The Mediator will interpret and apply these Mediation provisions insofar as they relate to the Mediator's duties and responsibility.

Q. Expenses

1. The expenses of witnesses for each Party must be paid by the Party producing such witnesses.
2. All other expenses of the Mediation, including required traveling and other expenses of the Mediator, and the expenses of any witness called by the Mediator, and the cost of any proofs or expert advice produced at the direct request of the Mediator, will be apportioned equally between the Parties, or as may otherwise be agreed by the Parties, provided, however, that a Party shall not be responsible for any such Mediation expense to which such Party did not consent in advance in writing.

12.05 Compensation for Participation in Mediation

A. Consultant is not entitled to compensation for time spent in or for negotiations or Mediation to resolve questions or disputes between Consultant and Owner arising out of this PSA.

PART 13 - MISCELLANEOUS PROVISIONS

13.01 Capitalization and Formatting

A. Terms capitalized in this PSA include those that are:

1. Specifically defined; or
2. Titles of Parts or paragraphs; or

3. Titles of reports or Deliverables; or
4. Titles of other documents.

B. Unless otherwise indicated, highlighted, **emboldened**, *italicized*, or underlined text is not indented to imply special significance but serves merely as an aid to the reader to distinguish or quickly reference selected text.

C. Text shown with Strike Through font is meant to, and does, exclude such text from the PSA. It is shown as such merely for the convenience of the Owner.

D. The captions of the Parts and paragraphs are for convenience only and will not be deemed relevant in resolving any question of interpretation or construction of any such Part or paragraph.

13.02 Force Majeure

A. Neither party hereto shall be liable to the other Party hereto for damages or delay in performance caused by events beyond the control of such Party or such Party's employees, agents, affiliates, officers, directors, Subconsultants, or representatives, provided that (i) such events are not in any way attributable to any act or omission by or on behalf of such Party or any of such Party's employees, agents, affiliates, officers, directors, Subconsultants, or representatives, and (ii) the Party claiming such delay promptly provides written notice to the other Party specifying the cause and a good faith estimate of the duration of such delay("Force Majeure Notice"), and (iii) such Party cures such delay and resumes performance hereunder as soon as practicable under the circumstances. Except for those commitments identified in the Force Majeure Notice, the affected Party shall not be relieved of its responsibility to fully perform as to all other obligations of such Party under this Agreement. Notwithstanding the foregoing, if such Force Majeure event continues for a period of more than 90 days from the date of such Force Majeure Notice, the County shall be entitled, in its sole discretion, to immediately terminate this Agreement upon written notice to Consultant.

13.03 Waiver

A. In the event any provision of this PSA is held to be invalid and unenforceable by a court of competent jurisdiction, the remaining provisions shall be valid and binding on the Parties.

B. One or more waivers by either Party of any provision, term, condition or covenant shall not constitute a waiver of any subsequent breach.

13.04 Timely Approvals

A. Whenever the approval of Owner or Consultant is required pursuant to this PSA, such approval shall not be unreasonably withheld or delayed.

13.05 Ownership & Use of Deliverables and Instruments of Service

A. Owner shall be the owner of the following items in connection with this Agreement upon creation, whether or not completed: all data collected, all documents of any type whatsoever, all photos, designs, sound or audiovisual recordings, software code, inventions, technologies, and other materials, and any material necessary for the practical use of such items, from the time of collection and/or production whether or not performance under this Agreement is completed or terminated prior to completion. Consultant shall not release any of such items to any other person except after prior written approval of Owner.
Unless otherwise specified herein, Consultant hereby assigns to Owner all copyright, patent, and other intellectual property and proprietary rights to all data, documents, reports, photos, designs, sound or audiovisual recordings, software code, inventions, technologies, and other materials prepared or provided by Consultant pursuant to this PSA (collectively referred to as "Copyrightable Work and Inventions"). Owner shall have the unrestricted authority to copy, adapt, perform, display, publish, disclose, distribute, create derivative works from, and otherwise use in whole or in part, any Copyrightable Works and Inventions and all Deliverables provided to County hereunder. Consultant agrees to take such actions and execute and deliver such documents as may be needed to validate, protect and confirm the rights and assignments

provided hereunder, including all licenses and permissions as may be necessary for County to use all Deliverables produced by Consultant hereunder. Consultant warrants that no Copyrightable Works and Inventions or any other item provided under this Agreement will infringe upon any intellectual property or proprietary rights of any third party. Consultant at its own expense shall defend, indemnify, and hold harmless Owner against any claim that any Copyrightable Works and Inventions or other items provided by Consultant hereunder infringe upon intellectual or other proprietary rights of a third party, and Consultant shall pay all damages, costs, settlement amounts, and fees that may be incurred by Owner in connection with any such claims.

B. This Part 13.05 shall survive expiration or termination of this PSA.

C. Consultant is not entitled to any fees for Owner's use of any Deliverable or instrument of Service unless Owner enters into a separate agreement with Consultant specifically providing for such fees.

13.06 Reliance

A. Unless otherwise indicated, Consultant may rely on the accuracy and technical quality of documents provided by Owner or the Owner's authorized consultants.

13.07 Taxes

A. Consultant shall pay all taxes, levies, duties, and assessments of every nature due in connection with any work under this PSA and shall make any and all payroll deductions required by law. Owner shall not be responsible for paying any taxes on Consultant's behalf, and should Owner be required to do so by state, federal, or local taxing agencies, Consultant agrees to promptly reimburse Owner for the full value of such paid taxes plus interest and penalty, if any. Such taxes shall include, but not be limited to, the following: FICA (Social Security), unemployment insurance contributions, income tax, disability insurance, and workers' compensation insurance.

13.08 Conflicts of Interest

A. Consultant covenants that Consultant presently has no employment or interest, and shall not acquire any employment or interest, direct or indirect, including any interest in any business, property, or source of income, which would conflict in any manner or degree with the performance of services required to be performed under this PSA. Consultant further covenants that in the performance of this PSA, no person having any such interest shall be employed or otherwise engaged by Consultant or any Subconsultant. Consultant must promptly disclose to Owner, in writing, any potential conflict of interest. Owner retains the right to waive a conflict of interest disclosed by Consultant if Owner determines it to be immaterial, and such waiver is only effective if provided by Owner to Consultant in writing.

13.09 No Publicity or Endorsement

A. Consultant shall not use Owner's name or logo or any variation of such name or logo in any publicity, advertising or promotional materials. Consultant shall not use Owner's name or logo in any manner that would give the appearance that the Owner is endorsing Consultant. Consultant shall not in any way contract on behalf of or in the name of Owner. Consultant shall not release any informational pamphlets, notices, press releases, research reports, or similar public notices concerning the Owner or its projects, without obtaining the prior written approval of Owner.

13.10 Non-Discrimination

A. Owner hereby notifies Consultant that Owner's Unlawful Discrimination Ordinance (Article XIII of Chapter 2 of the Santa Barbara County Code) applies to this PSA and is incorporated herein by this reference with the same force and effect as if the ordinance were specifically set out herein and Consultant agrees to comply with said ordinance.

13.11 Execution in Counterparts

A. This PSA may be executed electronically and in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.

13.12 Governing Law

A. This PSA shall be governed by the laws of the State of California. Any litigation regarding this Agreement or its contents shall be filed in the County of Santa Barbara, if in state court, or in the federal district court nearest to Santa Barbara County, if in federal court.

PART 14 - NOTICES

A. All notices will be deemed to have been given when made in writing and delivered or mailed to the respective representative(s) of Owner and Consultant at their respective addresses as shown in Exhibit E ("Notices"), attached hereto and incorporated herein by reference.

PART 15 - LIMITS OF AGREEMENT

A. This PSA, including all Exhibits hereto, together with the Request for Qualifications and Proposals for Project 25116 pursuant to which this Agreement was procured and which is attached hereto as Attachment 1 and hereby incorporated herein by reference ("RFQ/P"), and Consultant's Proposal submitted to County in response to same, a copy of which is attached hereto as Attachment 2 ("Proposal"), constitutes the entire and integrated agreement between Owner and Consultant with respect to the subject matter hereof, and supersede all prior and contemporaneous negotiations, representations, or agreements, whether written or oral.

B. This PSA may be amended only by written agreement signed by Owner and Consultant, except as otherwise expressly authorized herein.

C. If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this PSA shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

D. No remedy herein conferred upon or reserved to Owner is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

PART 16 - ORDER OF PRECEDENCE

A. In the event of conflict or inconsistency between the provisions contained in Parts 1 through 18 of this Agreement and the provisions contained in the Exhibits and Attachments, the provisions contained in Parts 1 through 18 of this Agreement shall control and prevail over those in the Exhibits and Attachments, other than Exhibit D and Exhibit F, which shall control and prevail. In the event of any conflict or inconsistency between Exhibit D and Exhibit F, the provisions of Exhibit F shall take precedence and control. Consultant agrees that in the event of any discrepancy, inconsistency, gap, ambiguity, or conflicting language between Consultant's Proposal (attached hereto as Attachment 2), on the one hand, and any other provision(s) of this Agreement, on the other, the provisions of this Agreement (including the RFQ/P) other than Consultant's Proposal shall take precedence and control and prevail.

PART 17 - EXHIBITS AND ATTACHMENTS

A. The following listed Exhibits and Attachments referred to herein are incorporated in this PSA as though set forth in full.

1. Exhibit A, "Consultant's Scope of Work & Hourly Rates"
2. Exhibit B, "Consultant's Staff & Subconsultants"
3. Exhibit C, "Consultant's Compensation"
4. Exhibit D, "Indemnification And Insurance Requirements"
5. Exhibit E, "Notices"
6. Exhibit F, "BHCIP State Funding Requirements"
7. Attachment 1: RFQ/P
8. Attachment 2: Vanir Construction Management, Inc. Statement of Qualifications
9. Attachment 3: Vanir Construction Management, Inc. Cost Proposal

[*Signatures appear on the following page.*]

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective as of the first date executed by all of the parties hereto.

County of Santa Barbara

By: Signed by: 9DD6B7A21EC646A... _____
BOB NELSON, CHAIR
BOARD OF SUPERVISORS

ATTEST:
MONA MIYASATO,
COUNTY EXECUTIVE OFFICER
CLERK OF THE BOARD

By: Signed by: Sheila de la Guerra 0B03E3DDE9EE4AA... _____
Deputy

CONSULTANT:
VANIR CONSTRUCTION MANAGEMENT, INC.

By: Signed by: Jerry Avalos E7...284264... _____
Name:
Title: Principal-In-Charge **President**

APROVED AS TO FORM:
RACHEL VAN MULLEM
COUNTY COUNSEL

By: Signed by: Aaron Zambrano 68B45FFFB01E4FC... _____
Deputy County Counsel

APPROVED AS TO ACCOUNTING FORM:
BETSY SCHAFFER, CPA, CPFO
AUDITOR-CONTROLLER

By: Signed by: James Munro 02BA147EF6A84DE... _____
Deputy

APPROVED AS TO FORM:
MARISA KAHN
RISK MANAGER

By: Signed by: Marisa Kahn DF54F5C66F0C41A... _____
Risk Manager

RECOMMENDED FOR APPROVAL:
KIRK LAGERQUIST, DIRECTOR
GENERAL SERVICES DEPARTMENT

By: DocuSigned by: kirk lagerquist 10AE6A8865AE4DE... _____
Department Head

END OF AGREEMENT

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EXHIBIT A

SCOPE OF WORK; HOURLY RATES

Consultant shall perform all of the following services set forth in this Scope of Work ("Services") in exchange for the fixed fee Base Contract Amount set forth in the table below and in Section 1.a of Exhibit C, below, which shall include all overhead, administrative costs, and profit.

SCOPE OF WORK:

The Construction Manager ("CM") shall provide professional construction management services for the County of Santa Barbara North County Crisis Residential Treatment (CRT) Facilities Project ("Project"), utilizing a Progressive Design-Build (PDB) delivery method. The CM shall act as the County's representative and advisor throughout the Project and shall provide independent oversight, coordination, project controls, cost management, schedule management, risk management, contract administration, quality assurance, and construction management services necessary to support successful Project delivery.

The CM shall perform all services in accordance with generally accepted professional standards applicable to construction management services in California and shall comply with all applicable federal, state, and local laws, regulations, permit requirements, and funding requirements, including applicable Behavioral Health Continuum Infrastructure Program (BHCIP) Round 2 Bond Program requirements and provisions of the Project Specific Program Funding Agreement.

PHASE 0 – DESIGN-BUILD ENTITY PROCUREMENT (6 MONTHS: JULY 2026 – DECEMBER 2026)

The CM shall assist the County with solicitation, procurement and selection of the Design-Build Entity ("DBE") through a qualifications-based selection process.

Services shall include, but not be limited to:

a) Assisting in development, review, and administration of procurement documents, evaluation criteria, schedules, and selection procedures.

b) Supporting outreach efforts, responding to procurement inquiries, preparing addenda, and facilitating communications with prospective proposers.

c) Assisting with evaluation of Statements of Qualifications, interview development, proposal reviews, scoring processes, ranking, and selection recommendations.

d) Facilitating interviews, workshops, and evaluation meetings and preparing related documentation.

e) Assisting the County in negotiations of Phase 1 Validation, Design, and Preconstruction Services, including review of staffing plans, assumptions, fees, schedules, and proposed costs.

f) Supporting contract execution and transition into subsequent project phases.

PHASE 1 – VALIDATION, DESIGN, AND PRECONSTRUCTION (6 MONTHS: JANUARY 2027 – JUNE 2027)

The CM shall provide comprehensive management, oversight, and coordination services during validation, design development, and preconstruction activities.

Services shall include, but not be limited to:

a) Administering the Progressive Design-Build contract on behalf of the County.

b) Validating project scope, program requirements, budget, schedule, site conditions, operational requirements, and project risks.

c) Reviewing and evaluating design progress, constructability, cost models, contingencies, assumptions, value analysis opportunities, and project schedules.

d) Managing stakeholder review processes, including coordination of design submittals, comment resolution, and interdisciplinary review.

e) Facilitating meetings and maintaining meeting records, action item logs, and project correspondence.

f) Monitoring project budget, cost estimates, cash flow projections, risk registers, and schedule performance.

g) Coordinating permitting, agency reviews, entitlement activities, and approval tracking.

h) Establishing and maintaining project controls systems, document management procedures, reporting protocols, and record retention systems.

i) Assisting with development of construction staging plans, logistics plans, phasing strategies, and early work packages.

j) Supporting procurement and coordination of third-party consultants, inspectors, testing agencies, commissioning agents, plan check consultants, and other specialty consultants retained by the County.

k) Providing independent review and recommendations regarding the DBE's proposed Guaranteed Maximum Price (GMP), Contract Price, Phase 2 scope, schedule, assumptions, contingencies, and risk allocation.

PHASE 2 – FINAL DESIGN AND CONSTRUCTION (18 MONTHS: JULY 2027 -DECEMBER 2028)

Upon authorization by the County, the CM shall provide full construction management and contract administration services throughout final design completion and construction.

Services shall include, but not be limited to:

a) Administering the Design-Build contract and serving as the County's primary construction management representative.

b) Providing two full time qualified on-site personnel appropriate to the size and complexity of the Project.

c) Monitoring construction activities for compliance with the Contract Documents, approved submittals, applicable codes, permit requirements, and quality standards.

d) Conducting and facilitating construction meetings, progress meetings, coordination meetings, and stakeholder meetings.

e) Reviewing, tracking, and processing requests for information, submittals, shop drawings, payment applications, change orders, and other contract documents.

f) Evaluating schedule updates, critical path activities, recovery plans, phasing plans, and schedule impacts.

g) Monitoring project costs, contingencies, expenditures, forecasts, and budget performance and providing regular reporting to the County.

h) Reviewing and evaluating proposed changes, claims, delays, unforeseen conditions, and disputes and providing recommendations to the County.

i) Coordinating activities of inspectors, testing laboratories, commissioning agents, utility providers, consultants, and other third-party service providers.

j) Monitoring compliance with applicable labor compliance requirements, Community Workforce Agreement requirements, prevailing wage requirements, environmental regulations, permit conditions, and grant funding requirements.

k) Monitoring implementation of safety programs, environmental compliance measures, SWPPP requirements, quality control procedures, and site logistics plans.

l) Maintaining complete project records, daily reports and providing monthly progress reports addressing schedule, budget, quality, safety, risk, and project status.

PHASE 3 – PROJECT CLOSEOUT AND POST CONTRUCTION (2 MONTHS: JANUARY 2028 – FEBRUARY 2028)

The CM shall manage and coordinate all Project closeout activities necessary to achieve final completion and acceptance of the Project.

Services shall include, but not be limited to:

a) Developing and implementing closeout procedures, schedules, and completion tracking systems.

b) Coordinating inspections, testing, startup activities, commissioning activities, and occupancy readiness efforts.

c) Managing punch list development, tracking, verification, and completion.

d) Coordinating final inspections and approvals from regulatory agencies and Authorities Having Jurisdiction.

e) Reviewing and verifying completeness and accuracy of record drawings, operation and maintenance manuals, warranties, permits, certifications, testing documentation, and other closeout deliverables.

f) Coordinating training activities for County operations and maintenance personnel.

g) Reviewing final payment applications, contract reconciliations, and closeout documentation.

h) Preparing final project reports and supporting filing of Notices of Completion.

i) Conducting warranty inspections, including an inspection approximately eleven (11) months following Substantial Completion.

j) Assisting with transition to full facility operations and post-occupancy evaluations.

k) Preparing and delivering final project records and archival documentation.

l) Providing written certification that, to the best of the CM's knowledge, the Project was completed in general conformance with the Contract Documents and applicable requirements.

WARRANTY SERVICES (12 MONTHS FROM SUBSTANTIAL COMPLETION)

The CM shall provide post-construction services through expiration of applicable warranty periods.

Services shall include, but not be limited to:

a) Monitoring warranty obligations and coordinating resolution of warranty issues.

b) Tracking corrective actions and verifying completion of warranty work.

c) Assisting the County in addressing latent defects, operational issues, and system performance concerns.

d) Supporting resolution of outstanding claims, disputes, stop notices, and contract issues.

GENERAL DELIVERABLES

Throughout all phases of the Project, the CM shall provide periodic reports, meeting minutes, cost reports, schedule analyses, risk assessments, budget forecasts, procurement support documents, contract administration records, and other documentation reasonably required by the County to monitor and administer the Project. The CM shall maintain and preserve complete and accurate Project records throughout the duration of the Agreement.

REIMBURSABLES

All reimbursable expenses have been incorporated into and are included within the Base Contract Amount. Except as expressly authorized by a written amendment executed by the County and Consultant, no additional reimbursement, compensation, or payment for expenses of any kind shall be allowed or paid by the County.

Base Contract Amount Compensation Schedule:

County of Santa Barbara
North County Crisis Residential Treatment Facility
PROPOSED FEE SUMMARY

DBE Solicitation (~6 months) (Jul 26' - Dec 26')

Type of Services	Base Proposal	Allowance	Grand Total
Project Management	$ 113,060	$ -	$ 113,060
Reimbursables	$ 3,000	$ -	$ 3,000
Pre-Construction Subtotal	$ 116,060	$ -	$ 116,060
		Total of Phase 0 Services	**$ 116,060.00**

Phase 1: Validation Period & Design (~6 months) (Jan 27' - Jun 27')

Type of Services	Base Proposal	Allowance	Grand Total
Construction Management	$ 195,360	$ -	$ 195,360
Reimbursables	$ 3,000	$ -	$ 3,000
Construction Subtotal	$ 198,360	$ -	$ 198,360
		Total of Phase 1 Services	**$ 198,360.00**

Phase 2: Final Design & Construction (~18 months) (Jul 27 - Dec 28')

Type of Services	Base Proposal	Allowance	Grand Total
Construction Management	$ 1,524,680	$ -	$ 1,524,680
Reimbursables	$ 9,000	$ -	$ 9,000
Construction Subtotal	$ 1,533,680	$ -	$ 1,533,680
		Total of Phase 2 Services	**$ 1,533,680**

Phase 3: Closeout & Post-Construction (~2 months) (Jan 29' - Feb 29')

Type of Services	Base Proposal	Allowance	Grand Total
Construction Management	$ 110,106	$ -	$ 110,106
Reimbursables	$ 1,000	$ -	$ 1,000
Closeout Subtotal	$ 111,106	$ -	$ 111,106
		Total of Phase 3 Services	**$ 111,106**
		Grand total of ALL Phases (0-3):	**$ 1,959,206**

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DBE Solicitation (~6 months)

			2026																					
			Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun										
	26/27		DBE Solicitation	SOQ scoring	Shortlist	Interviews		DBE Award	Design Phase															
Position	Rate		1	2	3	4	5	6	7	8	9	10	11	12									Tot. Hrs	Total Cost
Scott Murphy, PIC	$285		24	24	24	24	12	12	16	16	16	16	16	16									212	$ 56,180
Roy Magdaleno, Proj. Exec.	$250		60	60	60	36	36	36	40	40	40	40	40	40									516	$ 129,000
Robert Lade, PD	$225		8	8	8	8	8	8	20	20	20	40	40	40									228	$ 51,300
Michelle Garcia, Admin	$105		4	4	4	4	4	4	2	2	2	2	2	2									36	$ 3,780
SR. Construction Manager	$215												80	80									160	$ 34,400
Construction Manager	$190												80	80									160	$ 30,400
Scheduling	$210													16									16	$ 3,360
Estimating	$210																						0	$ -
CWA Coordinator	$175		Scope of work will be covered by Robert Lade						Scope of work will be covered by Robert Lade														$ -	$ -
Reimbursables	1		$ 500	$ 500	$ 500	$ 500	$ 500	$ 1,000	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500									$ 6,000	$ 6,000
Total Cost			$24,080	$24,080	$24,080	$17,680	$16,370	$12,870	$18,420	$18,420	$18,420	$23,820	$38,280	$38,280									1,528	$ 314,420

Phase 1: Validation Period & Design (~6 months)

Phase 2: Final Design & Construction (~18 months)

			2027												2028															
			Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
	27/28	28/29	Construction Management												Construction Management															
Position	Rate	Rate	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	Tot. Hrs	Total Cost
Scott Murphy, PIC	$293	$301	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	72	$ 19,849
Roy Magdaleno, Proj. Exec.	$258	$265	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	216	$ 56,176
Robert Lade, PD	$232	$239	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32	576	$ 134,823
Michelle Garcia, Admin	$108	$111	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	72	$ 7,865
SR. Construction Manager	$221	$228	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	3,024	$ 676,361
Construction Manager	$195	$202	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	3,024	$ 597,715
Scheduler	$216	$223	10	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	146	$ 31,891
CWA Coordinator	$180	$186	Scope of work will be covered by Robert Lade						Scope of work will be covered by Robert Lade																						0	$ -
Reimbursables	1	1	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 9,000	$ 9,000
Total Cost			$ 64,720	$ 64,640	$ 64,640	$ 64,640	$ 64,640	$ 64,640	$ 64,640	$ 64,640	$ 64,640	$ 64,640	$ 64,640	$ 64,640	$ 64,640	$ 64,640	$ 64,640	$ 64,640	$ 64,640	$ 64,640	$ 64,640	$ 64,640	$ 64,640	$ 64,640	$ 64,640	$ 64,640	$ 64,640	$ 64,640	$ 64,640	$ 64,640	7,130	$1,533,680

Phase 3: Closeout & Post-Construction (~2 months)

			2029																											
			Jan	Feb																										
		28/29	Closeout																											
Position		Rate	31	32																										
Scott Murphy, PIC		$281	2	1																										
Roy Magdaleno, Proj. Exec.		$265	4	2																										
Robert Lade, PD		$239	16	8																										
Michelle Garcia, Admin		$111	4	2																										
Sr. Construction Manager		$207	168	84																										
Construction Manager		$166	168	84																										
Scheduler		$196	8	4																										
CWA Coordinator		$166																												
Reimbursables		1	$ 500	$ 500																										
Total Cost		1	$ 38,894	$ 37,302																										

DBE Solicitation (~6 months)	$ 116,960.00
Phase 1: Validation Period & Design (~6 months)	$ 198,380.00
Phase 2: Final Design & Construction (~18 months)	$ 1,533,680.16
Phase 3: Closeout & Post-Construction (~2 months)	$ 111,106.81
(Optional) On-Site Field Office	$ -
Grand Total CM only	$ 1,959,205.62

Rate Schedule for Supplemental Services:

The following hourly rates, which include all overhead, administrative costs, and profit, shall apply to any and all Supplemental Services performed during the Term in accordance with duly executed Change Orders.

VANIR

SCHEDULE OF RATES FOR PERSONNEL COSTS

Position	Cost per hr. through June. 2027
Key Personnel	
Administrative Asst.	$105
Project Coordinator	$125
Commissioning Agent	$165
Community Workforce Agreement Coordinator (CWA)	$175
Inspector II	$165
Inspector III	$185
Field / Project Engineer	$140
Asst. Construction Manager	$170
Project Manager / Construction Manager	$190
Sr. Project Manager / Sr. Construction Manager	$215
Project Director	$225
Sr. Project Director	$235
Project Executive / Deputy Area Manager	$250
Officer in Charge / Principal in Charge	$265
Support Services	
Constructability Reviewer	$210
Fire/Life/Safety Plan Reviewer	$210
CASp	$205
Structural Engineer Plan Reviewer	$210
Scheduler / Estimator	$210
Sr. Scheduler / Sr. Estimator	$220
Subject Matter Expert	$255

*The rates shown are from July 2026 through June 2027.
*The rates will be escalated @ 3% annually on the anniversary date of the fully executed agreement.
*Reimbursables Costs:
1. Misc. expenses (printing, postage, travel, travel meals, etc.)
2. Internet, Copy machine, other.

END EXHIBIT A

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EXHIBIT B

CONSULTANT'S STAFF & SUBCONSULTANTS

A. Consultant declares that the Principal-in-Charge on behalf of Consultant shall be Scott Murphy. Consultant declares that Consultant's Project Manager shall be Robert Lade.

B. Consultant will only employ subconsultants identified in the Consultant's Proposal submitted in response to the County's RFQ/P for this project (each, a "Subconsultant"), as set forth below, and each Subconsultants must, if their profession or specialty is licensable, be licensed by the State of California to perform such Services. Consultant must obtain Owner's prior written approval of any other subconsultants or subcontractors. Upon Owner's request, Consultant shall provide copies of all Subconsultant contracts to Owner.

C. None of the Staff or Subconsultants specified in this Agreement shall be replaced without the prior written approval of the Director, or his Assistant Director designee, in each instance. If Consultant's Project Manager or any other designated key staff person or Subconsultant fails to perform to the satisfaction of Owner, upon written notice from the OPM, Consultant shall, within fifteen (15) calendar days, remove that person from the Project and provide a qualified replacement acceptable to Owner, and subject to Owner's prior written approval.

List of Consultant's Staff

- Scott Murphy, Principal-in-Charge
- Roy Magdaleno, Project Executive
- Robert Lade, Project Director
- Michelle Garcia, Admin.
- James Netz, Senor Construction Manager
- Lilia Villalpando-Ruvalcava, Assistant Construction Manager
- Jon Murphy, Senor Scheduler

List of Subconsultants:

N/A

END EXHIBIT B

EXHIBIT C

CONSULTANT'S COMPENSATION

1. COMPENSATION SUMMARY

a.	Consultant's **Fixed Fee** for the performance of all of the **Services** described in Exhibit A ("Consultant's Scope of Work") shall be:	
	Base Contract Amount:	$1,959,205.67
	SUBTOTAL: Base Contract Amount	$1,959,205.67
b.	**Allowance for Reimbursable Expenses pursuant to Part 10.02**	**$0.00**
c.	Supplemental Services Allowance for Supplemental Services that may be authorized by the Owner in writing pursuant to a duly executed **Change Order** issued during the Term in accordance with Part 10.03, above.	**$195,920.56**
d.	**MAXIMUM COMPENSATION LIMIT (a+b+c)**	**$2,155,126.23**

2. PROGRESS PAYMENTS

a. For **the Base Contract Amount**, progress payments will be on a FIXED FEE basis for completion of services each month in accordance with Exhibit A.
b. For Consultant compensation payable hereunder in terms of an **HOURLY FEE** (i.e., for Supplemental Services performed in accordance with duly executed Change Order(s)), payments will be made monthly and based on the actual hours worked during the billing period charged at the hourly rates set forth in Exhibit A, above, (**Consultant must include substantiating documentation for each payment request hereunder, including a breakdown of the staff hours for particular tasks performed as a task-fee breakdown**)
c. Only invoices identifying personnel listed in Exhibit A or B, above, will be accepted by Owner as valid substantiation for hourly fee payment requests.

d. Consultant must submit appropriate documentation and information to support each invoice, including a narrative description of Services performed during such billing period. including, but not limited to, all completed milestones and deliverables.

END EXHIBIT C

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EXHIBIT D
Indemnification and Insurance Requirements
(For Design Services)

INDEMNIFICATION

CONTRACTOR agrees to indemnify, defend (with counsel reasonably approved by COUNTY) and hold harmless COUNTY and its officers, officials, employees, agents and volunteers from and against any and all claims, actions, losses, damages, judgments and/or liabilities arising out of this Agreement from any cause whatsoever, including the acts, errors or omissions of any person or entity and for any costs or expenses (including but not limited to attorneys' fees) incurred by COUNTY on account of any claim except where such indemnification is prohibited by law. CONTRACTOR'S indemnification obligation applies to COUNTY'S active as well as passive negligence but does not apply to COUNTY'S sole negligence or willful misconduct.

NOTIFICATION OF ACCIDENTS AND SURVIVAL OF INDEMNIFICATION PROVISIONS

CONTRACTOR shall notify COUNTY immediately in the event of any accident or injury arising out of or in connection with this Agreement. The indemnification provisions in this Agreement shall survive any expiration or termination of this Agreement.

INSURANCE

CONTRACTOR shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by any of the CONTRACTOR, its agents, representatives, employees, Subconsultants, and subcontractors.

A. Minimum Scope of Insurance Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products-completed operations, personal & advertising injury, with limits no less than $2,000,000 per occurrence and **$4,000,000 in the aggregate.**
2. **Automobile Liability**: Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if CONTRACTOR has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than $1,000,000 per accident for bodily injury and property damage.
3. **Workers' Compensation**: Insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than $1,000,000 per accident for bodily injury or disease. **(Not required if CONTRACTOR provides written verification that it has no employees)**
4. **Contractor's Pollution Liability and/or Asbestos Pollution Liability and/or Errors & Omissions**: applicable to the work being performed, with a limit no less than $2,000,000 per claim or occurrence and $2,000,000 aggregate per policy period of one year.

If the CONTRACTOR maintains broader coverage and/or higher limits than the minimums shown above, the COUNTY requires and shall be entitled to the broader coverage and/or the higher limits maintained by the CONTRACTOR. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the COUNTY.

B. Other Insurance Provisions

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The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. **Additional Insured** – COUNTY, its officers, officials, employees, agents and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the formof an endorsement to the CONTRACTOR'S insurance at least as broad as ISO Form ISO Form CG 20 10 11 85 or both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 forms if later revisions used.
2. **Primary Coverage** – For any claims related to this contract, the CONTRACTOR'S insurance coverage shall be primary insurance primary coverage at least as broad as ISO CG 20 01 04 13 as respects the COUNTY, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the COUNTY, its officers, officials, employees, or volunteers shall be excess of the CONTRACTOR'S insurance and shall not contribute with it.
3. **Notice of Cancellation** – Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the COUNTY.
4. **Waiver of Subrogation Rights** – CONTRACTOR hereby grants to COUNTY a waiver of any right to subrogation which any insurer of said CONTRACTOR may acquire against the COUNTY by virtue of the payment of any loss under such insurance. CONTRACTOR agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the COUNTY has received a waiver of subrogation endorsement from the insurer.
5. **Deductibles and Self-Insured Retention** – Any deductibles or self-insured retentions must be declared to and approved by the COUNTY. The COUNTY may require the CONTRACTOR to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.
6. **Acceptability of Insurers** – Unless otherwise approved by Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum A.M. Best's Insurance Guide rating of "A- VII".
7. **Verification of Coverage** – CONTRACTOR shall furnish the COUNTY with proof of insurance, original certificates and amendatory endorsements as required by this Agreement. The proof of insurance, certificates and endorsements are to be received and approved by the COUNTY before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the CONTRACTOR's obligation to provide them. The CONTRACTOR shall furnish evidence of renewal of coverage throughout the term of the Agreement. The COUNTY reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.
8. **Failure to Procure Coverage** – In the event that any policy of insurance required under this Agreement does not comply with the requirements, is not procured, or is canceled and not replaced, COUNTY has the right but not the obligation or duty to terminate the Agreement. Maintenance of required insurance coverage is a material element of the Agreement and failure to maintain or renew such coverage or to provide evidence of renewal may be treated by COUNTY as a material breach of contract.
9. **Subcontractors** – CONTRACTOR shall require and verify that all subcontractors, including, but not limited to, Subconsultants, maintain, at all times during the Term, insurance meeting all the requirements stated herein, and CONTRACTOR shall ensure that COUNTY is an additional insured on insurance required from subcontractors and Subconsultants.
10. **Claims Made Policies** – If any of the required policies provide coverage on a claims-made

basis:

i. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
ii. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of contract work.
iii. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the CONTRACTOR must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work.

11. **Special Risks or Circumstances –** COUNTY reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. CONTRACTOR agrees to execute any such amendment within thirty (30) days of receipt.

Any failure, actual or alleged, on the part of COUNTY to monitor or enforce compliance with any of the insurance and indemnification requirements set forth herein shall not be deemed as a waiver of any rights on the part of COUNTY.

END EXHIBIT D

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EXHIBIT E

NOTICES

1. All notices are deemed to have been given when made in writing and delivered or mailed to the representatives of Owner and Consultant at their respective addresses as follows:

a. Owner:

County of Santa Barbara
Capital Division
260 North San Antonio Road
Santa Barbara, CA 93110

Attention: Jeffrey Patton, Assistant Director, General Services Department
(805) 568-934-6229/ jpatton@countyofsb.org

b. Consultant:

VANIR
2444 Main Street, Suite 130,
Fresno, CA 93721

Attention: Scott Murphy, CCM, Central California Area Manager
P 559-496-0536 | C 559-801-1569 | scott.murphy@vanir.com

END EXHIBIT E

EXHIBIT F

BHCIP State Funding Requirements

SAMPLE

PROGRAM FUNDING AGREEMENT
****
SUMMARY COVER SHEET

Program Funding Agreement ID	**7690-CA BHCIP-{{ composite_uid }}-01**
Program Agreement Effective Date:	
Program Funding Agreement Manager:	**ADVOCATES FOR HUMAN POTENTIAL, INC., a Massachusetts corporation (AHP)** 490-B Boston Post Road, Sudbury, MA 01776-3365 Tel: +1 (978) 443-0055 ♦ Fax: (978) 428-2571 **AHP Contracting Officer:** General Counsel Tel: +1 (978) 443-0055 (o) | legalnotices@ahpnet.com **AHP Designated Representatives:** Steve Thronson, Senior Program Director Tel: +1 (323) 545-6627 (o) | BONDBHCIPRound2@ahpnet.com Nichole Rupp, Program Director Tel: +1 (626) 757-0009 (o) | BONDBHCIPRound2@ahpnet.com
Sponsor:	**{{ legal_entity_name | upper }}, {{ typ_of_legal_entity }}** {{ lead_authorized_repersentative_address_business }} {{ lead_auth_rep_city_business }}, {{ lead_auth_rep_state_business }} {{ lead_auth_rep_zip_business }} **Sponsor Designated Representative:** {{ lead_authorized_rep }} Tel: {{ lar_office_num_sow }} | {{ lar_email_sow }}
Prime Contract Identification:	**State Department of Health Care Services** **Agreement No.: 24-40117** **Contract Title:** *California Bond Behavioral Health Continuum Infrastructure Program (Bond BHCIP)*
Contract Type:	Deliverable Based Program Funding Agreement
Period of Performance:	[Effective Date] through June 30, 2031
Consideration/Budget:	Bond BHCIP Round 2 Unmet Needs Program Funding **Not to Exceed {{ grant_amt_requested_curated }}**
Billing Terms:	See Attachment E-Payment Schedule

Page 1 of 27 PROGRAM FUNDING AGREEMENT

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SAMPLE

This Program Funding Agreement (the "**Agreement**") is entered into as of _____ (the "**Effective Date**"), by and between **ADVOCATES FOR HUMAN POTENTIAL, INC.**, a Massachusetts corporation, with offices located at **490-B Boston Post Road, Sudbury, MA 01776** ("**AHP**"), and **{{ legal_entity_name }}**, {{ typ_of_legal_entity }}, with offices located at **{{ lead_authorized_representative_address_business }}, {{ lead_auth_rep_city_business }}, {{ lead_auth_rep_state_business }} {{ lead_auth_rep_zip_business }}** ("**{{ entity_name }}**" or the "**Sponsor**"). AHP and the Sponsor may be referred to separately as a "**Party**" or collectively as "**Parties**."

RECITALS

A. The State of California (the "**State**"), through the Department of Health Care Services ("**DHCS**"), has entered into an agreement with AHP, a private consulting and research firm focused on improving health and human services systems, to assist with management of the Behavioral Health Infrastructure Bond Act of 2024 funds ("**Bond BHCIP Funds**") and to administer the Behavioral Health Continuum Infrastructure Program ("**BHCIP**" or "**Program**"), as amended. The agreement between DHCS and AHP shall hereinafter be referred to as the "**Prime Contract;**"

B. Pursuant to the requirements of BHCIP and DHCS guidelines, qualified grantees or entities shall use an award of Bond BHCIP Funds to expand the community capacity for serving persons with behavioral health disorders by the acquisition, construction, renovation, or other physical improvement of real property, infrastructure, or facilities;

C. DHCS oversees BHCIP to award Bond BHCIP Funds to qualified entities to construct, acquire, and rehabilitate real estate assets to address significant crisis care gaps in California's behavioral health (mental health and substance use disorder) infrastructure;

D. In response to that certain Request for Applications for Bond BHCIP Round 2: Unmet Needs issued by DHCS on or about May 30, 2025 (the "**RFA**"), for the Bond BHCIP Funds, the Sponsor submitted an application ("**Application**") to construct the project described in the Statement of Work, **Attachment D** ("**SOW**"), located at {{ proposed_address }}, {{ proj_city }}, {{ proj_state }} {{ proj_zip }} (the "**Project**"); and the Sponsor has been awarded Bond BHCIP Funds for the Project in an amount not to exceed {{ amt_awarded_written }} ({{ grant_amt_requested_curated }}) ("**Program Funds**"); and

E. This Agreement sets forth the terms and conditions of AHP's management and administration of the Program Funds and the Sponsor's duties and obligations related to its receipt of Program Funds. Capitalized terms not defined herein shall have the meanings ascribed thereto in the California Welfare and Institutions Code sections 5960–5960.4.

NOW, THEREFORE, based upon the foregoing, and in consideration of the mutual covenants and agreements herein set forth, the Parties agree as follows:

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SAMPLE

ARTICLE 1.
AUTHORITY

California Assembly Bill 133 (Chapter 143, Statutes of 2021) ("**AB 133**") added sections 5960–5960.45 to the California Welfare and Institutions Code, providing the statutory basis for the Program.

The Behavioral Health Infrastructure Bond Act of 2024 (section 4, Chapter 4 of California Assembly Bill 531 ("**AB 531**")), that provided, in part, for the: (a) addition of section 5965.04 to the California Welfare and Institutions Code allocating additional funding to the Program; and (b) repealed section 5960.45 from the California Welfare and Institutions Code.

DHCS, as part of the California Health and Human Services Agency, issued the RFA for the Bond BHCIP Funds, and AHP provides pre-application consultation, technical assistance, general training, and support on individual BHCIP projects, as well as management and administration of the Bond BHCIP Funds.

This Agreement is entered under the authority of and in furtherance of the Program. This Agreement is the result of the Application by the Sponsor for funding under BHCIP.

This Agreement hereby incorporates by reference the Sponsor's approved Application, as well as any report prepared by AHP in reliance on the representations and descriptions included in that Application. This Agreement is governed by the following (collectively, the "**Program Requirements**"), and each of the following, as amended and in effect from time to time, is hereby incorporated by this reference as if set forth herein in full:

1.1 AB 133, including any subsequent amendments to the statutes contained therein;

1.2 AB 531, including any subsequent amendment to the statutes contained therein;

1.3 California Welfare and Institutions Code Division 5, Part 7, Chapter 1, including any subsequent amendment to the statutes contained therein;

1.4 The Behavioral Health Infrastructure Bond Act of 2024 (California Welfare and Institutions Code Division 5, Part 7, Chapter 4) including any subsequent amendment to the statutes contained therein;

1.5 The State General Obligation Bond Law (Chapter 4 (commencing with section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), including any subsequent amendments to the statutes contained therein, with the exception of subdivisions (a) and (b) of section 16727 of the Government Code;

1.6 All California State Treasurer's Office, California Department of Finance, and Internal Revenue Service statutes, regulations, and sub-regulatory guidance applicable to bond funded programs;

1.7 The RFA, in the form attached to this Agreement as **Attachment J**; Notwithstanding any incorporation of the RFA into this Agreement, the parties expressly agree that the portion of Section 2.8 of the RFA providing, 'if an applicant has a current Negotiated Indirect Cost Rate Agreement (NICRA) established with

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a federal cognizant agency responsible for reviewing, negotiating, and approving cost allocation plans or indirect cost proposals, then the applicant may use its current NICRA as the basis for indirect costs,' shall **not** apply and is hereby excluded from this Agreement. The parties expressly agree that the applicable indirect cost rate for indirect costs shall be determined by DHCS in its sole discretion

1.8 Guidance issued by DHCS regarding the Program;

1.9 Program Guidelines, or Program Manuals, as adopted by DHCS, and as may be amended from time to time;

1.10 The Notice of Conditional Grant Award letter issued by DHCS to the Sponsor (the "**Notice of Conditional Award Letter**") attached to this Agreement as **Attachment K**; State Requirements attached to this Agreement as **Attachment A**; Certification Regarding Lobbying attached to this Agreement as **Attachment B**; the Sponsor Public Works Certification attached to this Agreement as **Attachment C**; Statement of Work attached to this Agreement as **Attachment D**; Payment Schedule attached to this Agreement as **Attachment E**; the Sponsor Compliance Certifications attached to this Agreement as **Attachment F**; Performance Milestones attached to this Agreement as **Attachment G**; Regulatory Agreement and Declaration of Restrictions ("**Declaration of Restrictions")** attached to this Agreement as **Attachment H**; Construction Contract Addendum attached to this Agreement as **Attachment I**; and Facility Access Agreement attached to this Agreement as **Attachment L**; and

1.11 All other applicable law, including, but not limited to, California Labor Code statutes applicable to public works projects.

The Sponsor is solely responsible and liable for the Sponsor's and the Sponsor's subcontractors' performance and compliance with this Agreement, the above-referenced Program Requirements, and all other local, state, and federal laws applicable to the Project.

ARTICLE 2.
TERM

2.1 This Agreement shall commence on the Effective Date and shall automatically expire concurrently with the expiration of the Prime Contract, on June 30, 2031 (the "**Expiration Date**"); unless, prior to the date of expiration of the Prime Contract, AHP shall assign, and DHCS shall accept, an assignment of AHP's duties and obligations pursuant to this Agreement (the period from the Effective Date through the Expiration Date shall be referred to herein as the "**Term**"), unless earlier terminated by AHP or DHCS.

2.2 Upon the expiration of the Term, there shall be no extension or renewal of the Term of this Agreement, unless the Parties and DHCS otherwise agree in writing.

2.3 Notwithstanding the foregoing or anything to the contrary contained herein, AHP and/or DHCS shall have the termination rights as set forth in Article 9 and Article 10 of this Agreement.

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SAMPLE

ARTICLE 3.
PROGRAM FUNDS

The Sponsor has been awarded the Program Funds in the amount set forth in this Agreement to be used solely for the purposes set forth in this Agreement and as detailed in the SOW and for no other purposes. The Sponsor shall be responsible for any costs to complete the Project in excess of the Program Funds award amount. The Sponsor shall return any excess or remaining Program Funds to the State upon completion of the Project.

This Agreement is entered into, and the obligation to fund is made, based upon the appropriation and availability of funds from the Behavioral Health Infrastructure Fund as defined in and created pursuant to California Welfare and Institutions Code section 5965.03. In the event that this appropriation is reduced subsequent to the Effective Date of this Agreement, AHP may, with written approval from DHCS, reduce the amount of Program Funds awarded to the Sponsor or cease to provide funding and pursuant to Section 10.1 of this Agreement, terminate the Agreement.

ARTICLE 4.
CONDITIONS OF DISBURSEMENT

AHP shall disburse the Program Funds to the Sponsor for the amount of any allowable, reasonable, actual and documented Project specific fees and expenses incurred by the Sponsor on or after [_____], 2026, the date of the Notice of Conditional Award Letter, issued by DHCS to the Sponsor, upon DHCS's determination, in its sole discretion, that the requirements described in Section 4.1 below have been satisfied.

Program Funds disbursed for real property acquisition shall be disbursed only upon satisfaction of the requirements in Section 4.1 and the additional requirements of Section 4.2 below.

Program Funds to be disbursed for construction costs, including for costs of demolition, shall be disbursed only upon satisfaction of the requirements of Section 4.1 and the additional requirements described in Section 4.3 below. Under this Agreement, "demolition" shall include, but not be limited to, the dismantling, razing, destroying, or wrecking of any building or structure, or any part thereof.

Program Funds shall be disbursed to the Sponsor for costs incurred for the Project, contingent upon the availability of Bond BHCIP Funds. The Sponsor shall submit requests for Program Funds monthly, no later than the last day of each month. Funding requests for reimbursement shall include incurred costs no later than forty-five (45) days from the date the Sponsor incurs the expense. Such request for Program Funds must be approved and all requirements set forth in this Article 4 must be satisfied in the sole discretion of AHP and DHCS, as applicable.

Notwithstanding the foregoing, or any provisions in this Agreement to the contrary, any request for disbursement of Program Funds submitted after April 30th of any State fiscal year ending June 30th may be subject to delayed review, processing, and disbursement, without liability to AHP or DHCS.

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4.1 Requirements for Disbursement of Program Funds. No Program Funds shall be released to the Sponsor for any Project costs until the Sponsor submits, and AHP and DHCS approves, the documents described below, and any additional supporting information, as may be required:

4.1.1 a fully executed copy of this Agreement, including all Attachments;

4.1.2 the Sponsor's request for Program Funds, with all required supporting documents appended thereto;

4.1.3 an executed copy of Certification No. 2, "Related Party & Related Party Transaction Disclosure";

4.1.4 a completed Government Agency Taxpayer ID Form;

4.1.5 a projection model on the approved template provided to the Sponsor by AHP or DHCS presenting expected expenditures of Program Funds ("**Funding Projection Survey**");

4.1.6 an authorizing resolution or set of authorizing resolutions that, in AHP's reasonable determination, materially comports with the Program Requirements (if the Sponsor has not already submitted the same);

4.1.7 evidence in the form of account statements or other auditable financial record that the Sponsor has received Program Funds and paying fees and expenses directly related to the Project, as detailed in the Project budget attached as Schedule 1 to the SOW;

4.1.8 evidence in the form of account statements or other auditable financial record that any funds required to match the Program Funds pursuant to the RFA ("**Match Funds**"); or, in the event the Match Funds are an in-kind contribution, in lieu of cash, including real property upon which the Project is to be constructed or operated and/or the amount of any allowable, reasonable, actual, and documented, as determined by AHP and DHCS in their sole discretion, Project specific fees and expenses incurred by the Sponsor no more than one (1) year prior to [_____], 2026, the date of the Notice of Conditional Award ("**Sunk Costs**"), the value of such in-kind contribution has been approved by AHP and DHCS in their sole discretion, as may be required;

4.1.8.1 AHP and DHCS reserve the right to withhold up to twenty-five percent (25%) of total Program Funds ("**Withheld Funds**") until such time as the Sponsor provides documents, in the form and substance acceptable to AHP and DHCS, verifying that the Sponsor expended its Match Funds or that the value of its in-kind contribution and/or Sunk Costs has been reviewed and approved by AHP and DHCS. If AHP and DHCS elects to exercise this right, AHP and DHCS shall inform the Sponsor of that election in writing. AHP and DHCS shall release the Withheld Funds only after the Sponsor provides documentation that adequately, as

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determined by DHCS, verifies that the Sponsor has expended its Match Funds or that the value of its in-kind contribution and/or Sunk Costs has been reviewed and approved by AHP and DHCS. Withheld Funds are entirely separate and distinct from Retention Funds, as described in Section 4.3.7.1 below;

4.1.9 unless the Sponsor is acquiring real property for the construction or operation of the Project, in which event the Sponsor shall be subject to the requirements as described in Section 4.2.5.1, a copy of a recorded **Declaration of Restrictions** that demonstrates that the Sponsor has recorded the Declaration of Restrictions against the real property upon which the Project is to be constructed or operated shall be provided to AHP; provided that, in the event that the Project is being constructed or operated on a leasehold interest, which lease must be for a term of not less than thirty (30) years, the Sponsor shall record the Declaration of Restrictions against the leasehold and the fee interest to the real property upon which the Project is to be constructed or operated;

4.1.10 intentionally omitted;

4.1.11 Evidence of insurance or self-insurance in the amounts and types sufficient to satisfy the requirements of Article 11 of this Agreement, subject to AHP approval, in its sole discretion;

4.1.12 certifications in the form attached as **Attachment F** required for the disbursements of Program Funds, which shall be submitted within sixty (60) days of the completion of each Performance Milestone set forth in **Attachment G**;

4.1.13 a current title report reflecting all existing liens, encumbrances, taxes owed, easements, covenants, or any other restrictions for the real property upon which the Project is to be constructed or operated. If the Sponsor's interest in the real property upon which the Project is to be constructed or operated is a leasehold, then the Sponsor shall provide a current title report for the leasehold interest and the fee interest;

4.1.14 a signed opinion letter from the Sponsor's legal counsel certifying that this Agreement, the Declaration of Restrictions, and the Program Requirements do not conflict with any existing contract, agreement, or other requirement applicable **to the Sponsor**, **the property** upon which the Project is to be constructed or operated, **or the Project**, and **are otherwise enforceable against the Sponsor**; and such opinion letter shall be in the form and substance acceptable to AHP, subject to DHCS's approval in its sole discretion; or a written confirmation letter certifying that the Sponsor has reviewed a current title report reflecting all existing liens, encumbrances, taxes owed, easements, covenants, or any other restrictions for the real property upon which the Project is to be constructed or operated; has received delegated authority from the Board of Supervisors for the County of {{ county }} to the Department(s) of {{ county_department }} to accept

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Program Funds; comply with Program Requirements; and has determined there are no other deed restrictions, including restrictions of use of the Project; and such confirmation letter shall be in the form and substance acceptable to AHP, subject to DHCS's approval in its sole discretion; and

4.1.15 the Sponsor and DHCS have executed a Facility Access Agreement substantially in the form attached as **Attachment L**.

4.2 Requirements for Disbursement of Program Funds for Acquisition Costs. Program Funds granted in advance of the Sponsor expending the funds for acquisition of real property will be deposited directly into an escrow account opened by the Sponsor for the transfer of title of the real property with First American Title Insurance Company, unless another title company is approved by AHP and DHCS. No Program Funds shall be released to the Sponsor for any Project costs related to the acquisition of real property until the Sponsor satisfies the requirements described in Section 4.1 above and the Sponsor submits, and AHP and DHCS approve, all documents described in this Section 4.2, and any additional information as may be required.

4.2.1 a fully executed purchase and sale agreement or other agreement evidencing the Sponsor's right to acquire the property upon which the Project is to be constructed or operated;

4.2.2 a written appraisal report setting forth an opinion of fair market value of the real property upon which the Project is to be constructed or operated prepared by a certified general appraiser licensed in the State of California ("**Certified Appraisal Report**"), which shall be in the form and substance acceptable to AHP and DHCS;

4.2.3 intentionally omitted;

4.2.4 evidence of any additional funds necessary for the Sponsor to acquire the property upon which the Project is to be constructed if the Program Funds are not providing the full amount of the acquisition costs;

4.2.5 signed escrow instructions, approved by AHP or DHCS, providing for the following:

4.2.5.1 a Declaration of Restrictions in the form attached to this Agreement as **Attachment H** shall be recorded at the close of escrow against the real property upon which the Project is to be constructed or operated; and

4.2.5.2 intentionally omitted.

4.2.6 completing and signing Certification No. 8 included as part of **Attachment F** shall be submitted to evidence the Sponsor's performance of required due diligence; and

4.2.7 certifications in the form of **Attachment F** required for the disbursements of Program Funds, which shall be submitted within sixty (60) days of the completion of each Performance Milestone set forth in **Attachment G**.

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SAMPLE

4.3 Requirements for Disbursement of Program Funds for Construction Costs. No Program Funds shall be released to the Sponsor for Project costs related to construction or demolition on the Project until the Sponsor satisfies the requirements described in Section 4.1 above and the Sponsor submits, and AHP and DHCS approve, all documents described below, and any additional information, as may be required:

4.3.1 the Sponsor Certification No. 1, in the form attached as **Attachment F**, and the Sponsor's General Contractor's Certification No. 12, certifying compliance with requirements related to public works projects pursuant to California Labor Code section 1720 et seq., as well as all applicable federal labor and wage laws;

4.3.2 plans and specifications for the construction work approved by AHP, as identified by the completion of Certifications Nos. 9 and 10 no later than six (6) months from the Effective Date;

4.3.3 a construction contract, as identified by the completion of Certification No. 11, based on a permitted set of construction plans with a licensed general contractor for an amount consistent with the construction costs in the approved Project budget incorporated into the SOW as Schedule 1 that incorporates the requirements of this Agreement, including, but not limited to, the prevailing wage requirements, and contains the Construction Contract Addendum in the form attached as **Attachment I**;

4.3.4 a copy of the Notice of Exemption for the Project filed with the county clerk of each county in which the Project is located, pursuant to the California Environmental Quality Act ("**CEQA**") Guidelines section 15062 (14 CCR Section 15062);

4.3.5 copies of labor and material bonds and performance bonds for the construction work in an amount equal to one hundred percent (100%) of the cost of construction, naming AHP and DHCS as co-obligees on the bonds;

4.3.6 a written request for Program Funds on a form approved by AHP and DHCS, providing sufficient detail and with sufficient supporting documentation to permit AHP and DHCS to confirm that the request is consistent with the terms of this Agreement and the Project budget;

4.3.7 when a disbursement is requested by a Sponsor to pay any contractor in connection with the construction work, the written request must be accompanied by (a) certification by the Sponsor's architect or project manager that the work for which disbursement is requested has been completed (although AHP reserves the right to inspect the Project and make an independent evaluation) and (b) lien releases and/or mechanics lien title insurance endorsements reasonably acceptable to AHP;

4.3.7.1 AHP and DHCS shall retain ten percent (10%) of total Program Funds to the Sponsor ("**Retention Funds**") until the Sponsor submits an executed copy of Certification No. 17, "Notice of Completion and Receipt of Conditional/Unconditional Final

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Releases of Liens," as set forth in **Attachment F**. AHP and DHCS shall release Retention Funds to the Sponsor only upon the Sponsor's satisfaction of all applicable requirements in this Section 4.3.7.1 and the submission of Certification No. 17 in a form and substance acceptable to AHP and DHCS, and any additional supporting documentation, as may be required, subject to approval by AHP or DHCS. Retention Funds are entirely separate and distinct from Withheld Funds, as described in Section 4.1.8.1 above; and

4.3.8 certifications in the form of **Attachment F** required for the disbursements of Program Funds, which shall be submitted within sixty (60) days of the completion of each Performance Milestone set forth in **Attachment G**.

4.4 Disbursements for Pre-construction Expenses. Notwithstanding anything to the contrary stated in this Article 4, or otherwise in this Agreement, Program Funds may be released to the Sponsor for certain pre-construction Project costs, subject to approval by AHP or DHCS in its sole discretion, provided that the Sponsor has: (i) satisfied the requirements set forth in subsections 4.1.1, 4.1.2, 4.1.3, 4.1.4, 4.1.5, 4.1.6, 4.1.7, 4.1.8, 4.1.11, 4.1.12, 4.1.14, and 4.1.15; (ii) the Project budget includes pre-construction expenses; and (iii) the planning and pre-construction phase of Project development shall be completed within ninety (90) days of the Effective Date.

4.5 Monthly Submittal of Funding Projection Survey. The Sponsor shall continue to review, update, and resubmit to AHP no later than the 15th day of each month, its Funding Projection Survey forecasting anticipated Project expenses.

ARTICLE 5.
CONSTRUCTION PROJECTS/NOTICE TO PROCEED

In the event that Program Funds are used for the performance of construction or demolition on the Project, the Sponsor shall submit an updated budget and schedule to AHP and DHCS for its approval prior to the Sponsor's issuance of a notice to proceed to its general contractor. The updated budget and schedule shall be consistent with the final plans and specifications for the Project. The Sponsor shall not issue a notice to proceed to its general contractor until AHP and DHCS have approved the updated budget and schedule. AHP or DHCS shall use reasonable efforts to review and provide feedback on the updated budget within seven (7) business days. Notwithstanding the foregoing, AHP or DHCS may extend the period of review and feedback, with notice to the Sponsor, for an additional thirty (30) days without any liability to the Sponsor, AHP, or DHCS.

ARTICLE 6.
PERFORMANCE

The Sponsor shall comply with the schedule set forth in the Performance Milestones in **Attachment G** and shall provide each certification contained in **Attachment F** within sixty (60) days of the completion of each Performance Milestone. The Sponsor shall provide regular progress reports to AHP but in all events at least once every thirty (30) days, including its progress toward

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meeting the Performance Milestones. The Project shall not be considered complete until the submission of either Certification No. 16 or Certification No. 17, as applicable, and Certification No. 18. The Sponsor may apply to AHP for an extension of any Performance Milestones or an extension to submit any required certification, which AHP may approve, provided that the Sponsor has made a showing of good cause for such an extension and provided acceptable assurances for timely completion of the remaining Performance Milestones as determined by AHP. Any extension granted by AHP shall not be effective unless granted in writing, and such writing shall be considered an amendment to this Agreement and incorporated herein. In all events, all Program Funds must be obligated and expended by June 30, 2031.

FAILURE TO SATISFY ANY ONE OF THE CERTIFICATIONS AND/OR PERFORMANCE MILESTONES (UNLESS SUCH PERFORMANCE MILESTONE IS EXTENDED OR WAIVED IN WRITING BY DHCS) SHALL CONSTITUTE A BREACH OF THIS AGREEMENT AND ENTITLE AHP TO MANDATE THE SPONSOR TO RETURN TO THE STATE OF CALIFORNIA ANY PROGRAM FUNDS DISBURSED; IN ANY SUCH INSTANCE, AHP MAY, ONLY WITH DHCS APPROVAL, ALSO CANCEL THIS AGREEMENT WITHOUT OWING ANY DAMAGES OR OTHER PAYMENT TO THE SPONSOR.

ARTICLE 7.
FISCAL ADMINISTRATION

7.1 Disbursements of Program Funds to the Sponsor by AHP shall be deposited in the Sponsor's account unless such funds are to be used for acquisition of the property upon which the Project is to be constructed or operated, in which event the Program Funds shall be deposited directly into an escrow account established with a title company for the purposes of acquisition of the property upon which the Project is to be constructed or operated. All interest earned from the deposit of Program Funds shall be used by the Sponsor for eligible Program administrative activities; however, any such use shall not exceed Five Hundred Dollars ($500.00) per year. Program Funds shall be segregated from the Sponsor's other funds and shall only be disbursed from the Sponsor's account for eligible Program Funds costs.

7.2 AHP has approved the Sponsor's budget for the Project incorporated in the SOW at **Attachment D**, as such budget may be updated prior to issuance of a notice to proceed to the general contractor in accordance with Article 5. The Sponsor may adjust line items in the budget, including drawing upon any contingency amounts listed in the budget, only with the prior written approval from AHP and DHCS, provided that such adjustments do not increase the overall budget amount. If, upon completion of a particular phase or segment of the Project, the Program Funds allocated to that segment or phase have not been fully expended, the Program Funds allocated to the Sponsor for such segment of the Project shall remain available to the Sponsor for disbursement for subsequent segments of the Project; provided, however, in no event shall the total amount of the Program Funds available to the Sponsor exceed the amount set forth in this Agreement without a written amendment to this Agreement signed by both Parties and approved by DHCS.

7.3 The Sponsor shall notify AHP and DHCS within thirty (30) days of any changes in the work required to be performed under this Agreement, including any additions, changes, or deletions to the plans and specifications approved by AHP and DHCS. The Sponsor shall provide prior notice to AHP of any written change order before any of the following changes, additions, or deletions in work for the Project may be performed: (1) any change in the work the cost of

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which exceeds One Hundred Thousand Dollars ($100,000); (2) any set of changes in the work the cost of which cumulatively exceeds One Hundred Thousand Dollars ($100,000); (3) any material change in building materials or equipment, specifications, or the structural or architectural design or appearance of the Project as provided for in the plans and specifications approved by AHP; or (4) any changes in the schedule that will extend the completion date. Notice of any additions, changes, or deletions to the work shall not relieve or release the Sponsor from any other obligations under this Agreement or relieve or release the Sponsor or its surety from any surety bond.

7.4 The Sponsor shall provide AHP with an updated budget and schedule for the Project when fifty percent (50%) completion of construction work is achieved that shows all changes in costs and schedule from the budget and schedule provided to AHP prior to issuance of the Notice to Proceed.

7.5 Any Program Funds that were granted but have not been expended by the expiration of the Period of Performance set forth in the Summary Cover Sheet and the Attached Performance Milestones must be returned to DHCS with any accrued interest in excess of Five Hundred Dollars ($500.00) per year, which may be used pursuant to Section 7.1 for administrative activities. Returned Program Funds shall be paid as directed by AHP or DHCS, no later than thirty (30) calendar days after the expiration of the applicable Period of Performance.

ARTICLE 8.
CHANGES TO STATEMENT OF WORK

8.1 The Sponsor shall not, without the prior written approval of DHCS, change either of the following: (i) the behavioral health purpose of the Project; or (ii) the population to be served by the Project, the foregoing, each, as described in (x) the Sponsor's Application, and (y) the SOW. The Sponsor shall ensure, and change as necessary, the purpose of the Project or the population to be served by the Project is tailored to provide behavioral health treatment that will meet community needs identified by local stakeholders, including the county board of supervisors, the county behavioral health director, providers of behavioral health services, and individuals who have or have had a mental health disorder or substance use disorder. As part of its review of the Sponsor's change request, DHCS shall ensure that any requested change aligns with these community needs. DHCS shall approve or deny the Sponsor's request for change within thirty (30) days of DHCS' receipt of the request. DHCS's decision to disapprove a request to change the Sponsor's SOW is fact-specific, and the decision shall be final and not subject to further review. The Sponsor shall submit to AHP, with a copy to DHCS, its written request to change either (i) the behavioral health purpose of the Project; or (ii) the population to be served by the Project, which shall include a detailed description of the following criteria:

8.1.1 the changes to the services or the Project that the Sponsor is requesting to make;

8.1.2 a detailed explanation of why the change is necessary and justification for how the change in the Project meets the changing behavioral health needs of the county or geographic area that the Project serves;

8.1.3 the behavioral health population, services, and needs that the Sponsor's change will meet;

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8.1.4 an attestation that the Sponsor will serve the same percentage (or more) of Medi-Cal and/or Mental Health Services Act/Behavioral Health Services Act ("**MHSA/BHSA**") beneficiaries as originally stated in the Sponsor's Application;

8.1.5 anticipated additional costs of changes to the Project, including a financial plan for meeting additional costs; and

8.1.6 any other information requested by AHP or DHCS to evaluate the Sponsor's request.

Any changes to the SOW approved by DHCS shall be provided to AHP and set forth as an amendment to this Agreement as required by Section 20.10 of this Agreement.

8.2 The Sponsor is solely liable and responsible for any increases in costs that exceed the Program Funds. In no event shall AHP or DHCS be responsible for any costs that exceed the Program Funds amount awarded for the Project. In the event that Project costs exceed the funds that the Sponsor has available to pay such costs, the Sponsor shall within thirty (30) days of such occurrence provide for notice to AHP of the financial plan, for AHP's approval, for meeting such additional costs, which may be approved or disapproved by DHCS, in its sole discretion. A financial plan for meeting additional costs may include the Sponsor providing additional funds for the Project or the Sponsor incurring additional debt. The Sponsor shall not incur any additional debt without the prior written approval of AHP and DHCS. A preliminary financial plan may be submitted to AHP in the form of a written confirmation that the Sponsor or designee shall request approval from the Board of Supervisors regarding the use of additional funds necessary to complete the Project. The Sponsor shall provide to AHP written confirmation of such Board of Supervisor approval within thirty (30) days of its submittal to AHP of its preliminary financial plan.

ARTICLE 9.
DEFAULT AND REMEDIES

9.1 Event of Default. Any of the following shall, after written notice by AHP or DHCS and expiration of any applicable cure period, constitute an "**Event of Default**" under this Agreement:

9.1.1 The Sponsor's failure to satisfy the conditions precedent to disbursement of Program Funds, as set forth in Article 4 above, or to expend Program Funds pursuant to the terms of this Agreement;

9.1.2 The Sponsor's failure to timely satisfy each or any of the conditions set forth in this Agreement or the Notice of Conditional Award Letter;

9.1.3 The Sponsor's violation of any of the Program Requirements; and

9.1.4 AHP's or DHCS's determination of the following:

9.1.4.1 the Sponsor has concealed any material fact from AHP or DHCS related to the Sponsor, the Application, the property upon which the Project is to be constructed or operated, or the Project;

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9.1.4.2 any material fact or representation, made or furnished to AHP or DHCS by the Sponsor in connection with the Application, the Notice of Conditional Award Letter, or this Agreement which shall have been untrue or misleading at the time that such fact or representation was made known to AHP, or subsequently becomes untrue or misleading at the Sponsor's fault;

9.1.4.3 any certification provided by the Sponsor is determined to be untrue or misleading; or

9.1.4.4 any objectives or requirements of the Program cannot be met in accordance with this Agreement or within applicable timeframes, as memorialized by this Agreement.

9.2 Right to Cure. If the breach, violation, or default pursuant to Section 9.1 is not cured to AHP's and DHCS's satisfaction, as determined by AHP and DHCS, subject to DHCS's approval in its sole and absolute discretion, within **thirty (30) days** of notice to the Sponsor, provided in accordance with the notice requirements of this Agreement, then AHP, subject to DHCS's approval, may declare an Event of Default under this Agreement.

9.2.1 Notwithstanding the foregoing, the Sponsor may request additional time to cure any Event of Default. AHP may, but shall not be required to, grant any such request, which request shall be subject to DHCS's approval. AHP's approval of the Sponsor's request for additional time to cure shall be subject to the Sponsor's continuing and diligent efforts to cure, and any additional cure period provided to the Sponsor shall be reasonable, as determined by AHP, subject to DHCS's approval in its sole discretion. In no event shall any extension of the cure period exceed thirty (30) days. For the avoidance of doubt, any extension of the cure period shall be granted in writing by AHP, subject to DHCS's approval in its sole discretion.

9.3 AHP/State/DHCS Remedies. Upon the occurrence of an Event of Default or termination, AHP and/or DHCS may take any and all actions or remedies that are available under this Agreement, in law, or in equity, including, but not limited to, the following:

9.3.1 temporarily withhold disbursement of Program Funds pending correction of the noncompliance, breach, violation, or default;

9.3.2 disallow use of Program Funds for all or part of the costs resulting from the noncompliance, breach, violation, or default;

9.3.3 wholly or partly suspend or terminate this Agreement and the Sponsor's award of Program Funds, or disbursements thereof (any such suspension or termination of this Agreement or the Sponsor's award of Program Funds shall be effective upon the Sponsor's receipt of AHP or DHCS notice of termination or suspension);

9.3.4 withhold or deny further Program Funds or awards to the Sponsor;

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9.3.5 require the Sponsor to return all or part of any Program Funds, including any interest earned thereon;

9.3.6 intentionally omitted;

9.3.7 any and all remedies under the Declaration of Restrictions;

9.3.8 specific performance;

9.3.9 injunctive relief;

9.3.10 recovery and completion of the Project pursuant to the payment and performance bonds; and

9.3.11 any and all other remedies allowed by law or available in equity.

ARTICLE 10.
TERMINATION

10.1 AHP and/or DHCS shall have the right, each in its sole discretion and without prejudice to any other rights and remedies it may have under applicable law, to terminate this Agreement effective immediately upon written notice of such termination to the Sponsor if (i) an Event of Default is declared by AHP or DHCS; (ii) three (3) breaches, violations, or defaults by the Sponsor of the terms and conditions of this Agreement (whether the same or different) occur within any twelve-month period, so long as such breaches, violations, or defaults are caused by the Sponsor's negligence or willful misconduct, and regardless of whether any or all such breaches, violations, or defaults are timely corrected; (iii) the Sponsor files a petition in bankruptcy or is adjudicated by a court of competent jurisdiction to be bankrupt or insolvent, or makes an assignment for the benefit of creditors or an arrangement pursuant to any bankruptcy law, or the Sponsor discontinues or dissolves its business, or a receiver is appointed for the Sponsor or the Sponsor's business; (iv) any lender to the Sponsor declares a default under its loan agreement, or funds available to the Sponsor from any lender become unavailable such that the Sponsor is unable to timely satisfy obligations under this Agreement; (v) the Sponsor's failure to provide AHP or DHCS with adequate assurances within a reasonable time that the Sponsor is financially solvent, or AHP or DHCS determines that the Sponsor is financially insecure; or (vi) Bond BHCIP Funds necessary to complete the Project are no longer available based upon a reduction in the appropriation or availability of funds from the Behavioral Health Infrastructure Fund as defined in and created pursuant to California Welfare and Institutions Code section 5965.03.

10.2 Notwithstanding the foregoing, or anything to the contrary stated herein, AHP may terminate this Agreement upon thirty (30) days' written notice if the Prime Contract is terminated by DHCS, or if AHP is directed by DHCS to terminate this Agreement.

10.2.1 For Cause

DHCS may terminate this Agreement, in whole or in part, and be relieved of any payments should the Sponsor or Owner fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination, DHCS may proceed with the work in any reasonable manner deemed proper by DHCS, with the goal of ensuring liquidated funds result in and align with

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program intent pursuant to California Welfare and Institutions Code section 5965.03. If this Agreement is terminated, in whole or in part, DHCS will require the Sponsor or Owner to work with DHCS to ensure continued use of real or personal property acquired, developed, or purchased with funds under this Agreement align with program intent as specified. In the case of licensed software, license, Sponsor or Owner may be required to deliver to DHCS any completed deliverables, partially completed deliverables, and any other materials, related to the terminated portion of this Agreement, including but not limited to, computer programs, data files, user and operations manuals, system and program documentation, training programs related to the operation and maintenance of the system, and all information necessary for the reimbursement of any outstanding claims subject to DHCS review and approval.

10.2.2 intentionally omitted.

10.3 Upon termination of this Agreement for any reason, neither AHP nor DHCS shall be liable for any work that is not performed in accordance with the Agreement. Neither AHP nor DHCS shall be responsible for any disbursement of Program Funds after the effective date of termination of this Agreement unless: (1) the Sponsor submitted to AHP a complete draw request for disbursement of a specific amount of Program Funds prior to the effective date of termination of this Agreement; and (2) AHP determines that the request is for expenses consistent with the terms of this Agreement and the Project budget. Notwithstanding the foregoing, neither AHP nor DHCS shall be responsible for any disbursement of Program Funds requested by the Sponsor after the effective date of termination of this Agreement based upon the occurrence of an Event of Default. Upon any termination, neither AHP nor DHCS shall be responsible for any damages to the Sponsor as a result of such termination.

ARTICLE 11. INSURANCE

11.1 Insurance Requirements. The Sponsor shall continuously maintain for the duration of this Agreement, and so long as the Declaration of Restrictions is in place, the following insurance or self-insurance at, or in excess of, the limits detailed below:

11.1.1 Builder's risk insurance, including a permission to occupy endorsement during the course of construction, and upon completion of construction, if the Project is new construction, property insurance, covering all risks of loss, excluding earthquake, flood, or other risks customarily excluded from "All-Risks" coverage, in an amount equal to full replacement cost of the Project, including all improvements, fixtures, furnishings, and equipment thereon at the time of loss.

11.1.2 If the Project is rehabilitation of an existing facility, property insurance covering all risks of loss, excluding earthquake, flood, or other risks customarily excluded from "All-Risks" coverage, in an amount equal to the full replacement costs of all improvements located on the property upon which the Project is to be constructed, including all improvements, fixtures, furnishings, and equipment thereon at the time of loss. Upon completion of

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the rehabilitation, any property insurance policy shall be updated to reflect the increased replacement costs resulting from the rehabilitation.

11.1.3 Workers' compensation insurance as required by the State.

11.1.4 Comprehensive automobile and vehicle liability insurance covering claims for injuries to members of the public and/or damages to property of others arising from use of motor vehicles, including on-site and off-site operations and owned, non-owned, or hired vehicles, with One Million Dollars ($1,000,000) combined single limits.

11.1.5 Commercial general liability insurance of not less than One Million Dollars ($1,000,000) per occurrence with an annual aggregate limit of Five Million Dollars ($5,000,000) for bodily injury and property damage liability combined. The Sponsor's required limits may be satisfied through a combination of general liability and umbrella or excess liability policies of coverage. The commercial general liability insurance policy shall cover liabilities arising out of premises, independent contractors, products, completed operations, ongoing operations, personal and advertising injury, and liability assumed under an insured agreement. The commercial general liability insurance shall apply to each insured against whom claim is made or suit is brought subject to the Sponsor's limit of liability. If the scope of services involves one-on-one activities with minors, such policy shall include or not exclude sexual assault and misconduct coverage.

11.2 Third-Party Insurance Policy Requirements. If the Sponsor elects to obtain third-party insurance, with the exception of Workers' Compensation, all policies, including their Lender Loss Payable clauses, shall be endorsed to name AHP and the "State Department of Health Care Services on behalf of the State (Agreement No.: 24-40117)" as additional insureds on such third-party insurance with respect to the work to be performed by the Sponsor. The endorsements and policies will provide that the insurer waives its rights of subrogation, and the insurer will provide notice to AHP in writing at least thirty (30) days prior to any cancellation, material change in coverage, or intent not to renew such insurance coverage. All such insurance must be primary and non-contributory and required to respond and pay prior to any other insurance or self-insurance available.

11.3 Contractor Insurance Requirements. The Sponsor shall require its general contractor and its subcontractors to provide insurance in the amounts and form set forth above during the course of construction (except the general contractor shall not be required to maintain Builder's Risk insurance or property insurance) and to name AHP and the "State Department of Health Care Services on behalf of the State (Agreement No.: 24-40117)" as additional insureds on all such insurance during the course of construction.

11.4 Evidence of Self-Insurance. If the Sponsor elects to maintain self-insurance, upon the request of AHP or DHCS, the Sponsor shall immediately deposit with AHP a letter, signed by an authorized Sponsor representative, certifying that the Sponsor maintains self-insurance consistent with the above requirements. The Sponsor shall certify its self-insurance maximum coverage amounts for each of the items above and whether they have individually self-insured or if they pooled self-insurance with other public entities through a joint powers agreement. Self-

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insurance maximum coverage amounts shall meet or exceed the minimum coverage amounts listed for each item above. Upon AHP's request, the Sponsor shall also provide to AHP the Department of Industrial Relations' certificate of consent for the county to self-insure against workers' compensation claims. The Sponsor shall maintain self-insurance consistent with the requirements set forth above at all times during the term of the Agreement and the term of the Declaration of Restrictions. Notwithstanding the expiration of this Agreement, the Sponsor shall provide to DHCS a new certificate of insurance evidencing its third-party insurance, or a new letter certifying its compliance with the self-insurance coverage, as provided herein, for a period not less than thirty (30) years from the date of either of the following: (i) the date of issuance of a Certificate of Occupancy, or (ii) the date of recordation of a Notice of Completion, in the official records of the county where the Project is located.

11.5 Insurance Indemnification. The Sponsor shall indemnify, defend, and hold harmless AHP and DHCS against any and all liabilities to third persons and other losses (not compensated by insurance or otherwise) and for any other costs and expenses incurred, including reasonable attorneys' fees, judgments, settlements, or penalties, as a result of any claim or liability resulting from the failure of the Sponsor (or its lower-tier subcontractors or consultants) to maintain the insurance policies required by this Article.

11.6 Insurance Premiums. Neither AHP nor DHCS shall be responsible for any premiums, deductibles, or assessments on any insurance policy referred to in this Agreement.

11.7 Survival. The requirements to provide insurance in this Article 11 shall survive termination of this Agreement.

ARTICLE 12.
OPERATIONS

The Sponsor agrees that, in consideration of the receipt of Program Funds pursuant to the terms of this Agreement, the Sponsor shall enter into, as required by this Agreement, the Declaration of Restrictions, to be recorded against the property upon which the Project is to be constructed or operated, in a form substantially similar as attached hereto and incorporated herein by this reference as **Attachment H**. The Declaration of Restrictions shall by its terms restrict the development, use, and occupancy of the Project for the term of thirty (30) years, from either the date of the issuance of a Certificate of Occupancy or the recordation of a Notice of Completion in the official records of the county in which the Project is located. In addition to any requirements in the Declaration of Restrictions, the Sponsor shall comply with all applicable state, federal, and local health and safety laws and ordinances with respect to the operation and maintenance of the Project. The facility or facilities financed pursuant to this Agreement shall accept and provide services to Medi-Cal beneficiaries as patients. If the Sponsor transfers title to the Project, the Sponsor shall ensure and guarantee that the requirements of this provision transfer and bind the Sponsor's successor in title. These rights and obligations shall survive the expiration or early termination of this Agreement and are covenants running with the Project pursuant to the Declaration of Restrictions in the form of **Attachment H** to be recorded against the Project. During the Term of this Agreement and the term of the Declaration of Restrictions, the Sponsor shall execute such other documents as required by DHCS to comply with the Program Requirements, including deed restrictions, covenants, and conditions recorded against the Project.

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ARTICLE 13.
POLICIES AND LEGAL AUTHORITIES

13.1 The Sponsor shall comply with:

13.1.1 All California and federal law, regulations, and published guidelines, to the extent that these authorities contain requirements applicable to the Sponsor's performance under this Agreement, including any applicable licensing and health and safety requirements;

13.1.2 AB 133, including any subsequent amendments to the statutes contained therein;

13.1.3 AB 531, including any subsequent amendment to the statutes contained therein;

13.1.4 California Welfare and Institutions Code Division 5, Part 7, Chapter 1, including any subsequent amendment to the statutes contained therein and any related DHCS guidance, regulations, and/or subsequent additions or amendments thereto;

13.1.5 The State Behavioral Health Infrastructure Bond Act of 2024 (California Welfare and Institutions Code Division 5, Part 7, Chapter 4) including any subsequent amendment to the statutes contained therein;

13.1.6 The State General Obligation Bond Law (Chapter 4 (commencing with section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), including any subsequent amendments to the statutes contained therein, with the exception of subdivisions (a) and (b) of section 16727 of the Government Code; and

13.1.7 All California State Treasurer's Office, California Department of Finance, and Internal Revenue Service statutes, regulations, and sub-regulatory guidance applicable to bond funded programs.

13.2 In the event the Sponsor does not comply with the terms of this Article 13, AHP shall give notice in accordance with Section 20.7 and shall have all rights set forth in Article 9 and Article 10.

ARTICLE 14.
INDEMNIFICATION

14.1 The Sponsor shall indemnify, defend, and hold harmless AHP, its directors, officers, employees, consultants, and agents, and DHCS, and its respective officers, members, supervisors, directors, officials, and employees, counsel, attorneys, and agents against liabilities to third persons and other losses (not compensated by insurance or otherwise) and for any costs and expenses incurred by AHP and DHCS, including judgments, settlements, or penalties, against all liabilities, claims, suits, demands, or liens for damages to persons or property ("**Claims**") (unless such Claims arise from the gross negligence or willful misconduct of AHP or DHCS) arising out

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of, resulting from, or relating to, the Sponsor's performance under this Agreement, and including, but not limited to, the following:

14.1.1 any act, omission, or statement of the Sponsor, or any person employed by or engaged under contract with the Sponsor, that results in injury (including death), loss, or damage to any person or property;

14.1.2 any failure on the part of the Sponsor to comply with applicable Program Requirements and requirements of law;

14.1.3 any failure to maintain the insurance policies required by this Agreement or the work performed, inclusive of intellectual property infringement, if applicable, under this Agreement. Insurance coverage that may be required shall in no way lessen or limit the liability of the Sponsor under the terms of this obligation;

14.1.4 any failure on the part of the Sponsor to satisfy all claims for labor, equipment, materials, and other obligations relating to the performance of the work hereunder;

14.1.5 any injury to property or person occurring on or about the Project or the property of the Sponsor; or

14.1.6 any claims related to the use, generation, storage, release, threatened release, discharge, disposal, or presence of hazardous materials on, under, or about the property upon which the Project is to be constructed or located.

14.2 The Sponsor shall indemnify AHP and DHCS under this clause for any of the above acts attributable to its employees, consultants, agents, and/or lower-tier subcontractors engaged in performance of the work under this Agreement. AHP or DHCS shall provide timely notice of any Claim, describing in reasonable detail such facts and circumstances with respect to such Claim. The Sponsor shall defend AHP and DHCS with counsel reasonably acceptable to AHP and DHCS. AHP and DHCS, each, may, at its option and own expense, engage separate counsel to advise them regarding the Claim and its defense. Such counsel may attend all proceedings. The Sponsor shall not settle any Claim without the consent of AHP and DHCS, if the settlement impacts either of their interests. If the settlement does not impact either AHP's or DHCS' interests, the Sponsor shall provide AHP and DHCS with notice of the settlement within seven (7) days.

14.3 The Sponsor agrees to indemnify, defend, and save harmless AHP and its directors, officers, employees, consultants, and agents, and DHCS and its officers, employees, consultants, and agents from any and all claims, costs (including, but not limited to, all expenses incurred in investigating, preparing, serving as a witness in, or defending against any such claim, action, or proceeding, commenced or threatened), and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm, or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement and from any and all claims and losses accruing or resulting to any person, firm, or corporation who may be injured or damaged by the Sponsor in the performance of this Agreement.

14.4 This indemnification shall survive the expiration or termination of the Agreement.

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ARTICLE 15.
PREVAILING WAGE

Any construction work that is part of the Project is subject to state and federal prevailing wage law, including California Labor Code section 1720 et seq. The Sponsor is urged to seek professional legal advice about prevailing wage law requirements and the Sponsor's obligations thereunder. Prior to disbursing the Program Funds, the Sponsor must sign Certification No. 1 and the Sponsor's general contractor must sign Certification No. 12, certifying compliance with California's prevailing wage law and all applicable wage and hours laws. The Sponsor shall also comply with any other labor requirements applicable to the Project as a result of other funding sources or regulatory requirements.

ARTICLE 16.
ENVIRONMENTAL CONDITIONS

The Sponsor shall provide a Phase I Environmental Site Assessment ("**ESA**") for the Project, in conformance with Advancing Standards Transforming Markets (ASTM) Standard Practice E 1527, evaluating whether the Project is affected by any recognized environmental conditions. If the Phase I ESA discloses evidence of recognized environmental conditions and the Sponsor desires to proceed with the Project, the Sponsor shall provide AHP with a Phase II report and any additional reports as required by AHP and in a form acceptable to AHP. The Sponsor shall also provide an asbestos assessment and a lead-based paint report for AHP's approval if the Project involves rehabilitation or demolition of existing improvements. Prior to disbursement of Program Funds for real property acquisition, AHP shall require the Sponsor to complete and sign Certification No. 8, certifying that all recommendations of the Phase I or Phase II ESA have been complied with or shall be complied with prior to commencement of construction. Prior to disbursement of Program Funds for any rehabilitation work, AHP shall require the Sponsor to complete and sign Certification No. 8, certifying that all asbestos and/or lead-based paint has been abated or shall be abated prior to or during the performance of any such rehabilitation work.

ARTICLE 17.
RELOCATION

The Sponsor must comply with the California Relocation Assistance Law (California Government Code section 7260 et seq.), and their implementing regulations (collectively, the "**Relocation Laws**") if the Project will result in the displacement, as that term is defined in the Relocation Laws, of any persons, businesses, or farm operations. Pursuant to the Relocation Laws, the Sponsor must have a relocation plan prior to proceeding with any phase of a Project or other activity that will result in the displacement of persons, businesses, or farm operations. The Sponsor shall provide any required notices and relocation benefits in accordance with the Relocation Laws. AHP shall require the Sponsor to complete and sign Certification No. 8, certifying that all applicable Relocation Laws have been complied with.

ARTICLE 18.
INSPECTIONS, AUDITS, AND RECORD RETENTION

18.1 AHP or any of its authorized representatives shall have the right to access any documents, papers, or other records of the Sponsor which are pertinent to the Program Funds, in the format requested by AHP and DHCS, for the purpose of performing audits, examinations,

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and/or review regarding compliance with the provisions of this Agreement and the Program Requirements. Such monitoring activities shall include, but are not limited to, inspection of the Sponsor's books and records, in addition to site inspections, as AHP or DHCS deems appropriate.

18.2 AHP or DHCS may perform compliance reviews, review procedures and documents pertaining to the SOW and other elements of this Agreement, perform on-site visits, and desk reviews in order to ensure the Sponsor's compliance with this Agreement, as well as to protect against fraud, waste, and abuse.

18.3 The right to access records, in the format requested by AHP and DHCS, also includes timely and reasonable access, no longer than thirty (30) days, to the Sponsor's personnel for the purpose of interview and discussion related to the requested documents and/or information. Notwithstanding the foregoing, AHP shall use reasonable efforts to not disrupt the Sponsor's business operations when accessing records or personnel

18.4 The right to access records, in the format requested by AHP and DHCS, is not limited to the required retention period but lasts as long as the records are retained by the Sponsor.

18.5 The Sponsor shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Project and the Program Funds for a minimum of thirty-five (35) years from the date of final payment under this Agreement, and in compliance with the July 2, 2008 General Obligation Bond Record Retention Memorandum from the California State Treasury Office, 26 C.F.R. §1.148-5(d)(6)(iii)(E), Section 7 of **Attachment A** of this Agreement, and all applicable Internal Revenue Service statutes, regulations, and guidance.

18.5.1 The Sponsor shall maintain the list of documents as listed in Appendix V of the Department of Finance's "Bond Accountability and Audits" guide document. The list of documents is not exhaustive and additional documents may be requested by AHP or DHCS.

View this publication at the following:

https://dof.ca.gov/media/docs/programs/osae/bond-accountability-and-oversight-activities/Bond_Accountability_and_Audits.pdf

18.6 The Parties recognize and acknowledge that DHCS and the Sponsor are public entities subject to the Public Records Act and information exchanged between the Parties and DHCS may be subject to public disclosure and the Parties have no right to assume that such information shall be kept confidential.

18.7 Any review or inspection undertaken by AHP with reference to the Project is solely for the purpose of determining whether the Sponsor is properly discharging its obligations to DHCS and should not be relied upon by the Sponsor or by any third parties as a warranty or representation by AHP or DHCS as to the quality of the design or construction of the Project.

18.8 The Sponsor agrees that claims based upon an audit finding, that is appealed and upheld, shall be recovered by AHP and made payable to the State Department of Health Care Services by one of the following options:

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18.8.1 the Sponsor's remittance to AHP of the full amount of the audit exception within thirty (30) days of the date the audit finding is upheld; or

18.8.2 a repayment schedule which is agreeable to AHP, DHCS, and the Sponsor.

18.9 AHP reserves the right to select which option described in Sections 18.8.1 and 18.8.2 shall be employed, and AHP shall notify the Sponsor in writing of the claim procedure to be utilized. Interest on the unpaid balance of the audit finding or debt shall accrue at a rate equal to the maximum allowed by applicable law in the State of California for any such other audit findings.

ARTICLE 19.
THIRD-PARTY BENEFICIARIES

The State, represented by DHCS in this Agreement, is a third-party beneficiary of this Agreement. The Agreement shall not be construed so as to give any other person or entity, other than the Parties and DHCS, any legal or equitable claim or right. DHCS or another authorized department or agency representing the State may enforce any provision of this Agreement to the full extent permitted in law or equity as a third-party beneficiary of this Agreement. The State may take any and all remedies available in law or equity. In the event of litigation, the State may choose to seek any type of damages available in law or equity, up to the full amount of Program Funds awarded to the Sponsor.

ARTICLE 20.
MISCELLANEOUS

20.1 Dispute Resolution.

20.1.1 In the event of a dispute, the Parties shall first try to resolve the dispute by escalating it to higher levels of management to negotiate in good faith. If negotiations are unsuccessful, any controversy, dispute, or disagreement arising out of or relating to this Agreement, its breach, or its subject matter shall be conducted in a court of competent jurisdiction in {{ county }} County, California. Any Party bringing an action must comply with all applicable laws relating to claims against public entities, including the time limitations and manner of claim presentation prescribed by Chapter 2, commencing with section 910 of Part 3 (Claims Against Public Entities) of Division 3.6 of Title 1 of the California Government Claims Act.

20.1.2 The Sponsor shall be obligated to continue to perform pursuant to this Agreement while any dispute is pending.

20.1.3 Dispute Resolution provisions do not apply to the State.

20.2 Intentionally Omitted.

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20.3 Waiver. AHP's failure to notify the Sponsor of a breach or to insist on strict performance of any provision of this Agreement shall not constitute waiver of such breach or provision.

20.4 Remedies. No remedy in this Agreement is exclusive of any other remedy available under this Agreement, in law or equity. AHP or DHCS may seek equitable relief, including an injunction, against the Sponsor in connection with any breach or threatened breach of this Agreement.

20.5 Limitation of Liability. Except as otherwise provided in this Agreement, or by applicable law, the Sponsor waives any right to seek, and AHP and DHCS shall not be liable for, any special, consequential, or punitive damages; indirect or incidental damages; or for any loss of goodwill, profits, data, or loss of use arising out of, resulting from, or in any way connected with the performance or breach of this Agreement, even if the Sponsor advises AHP or DHCS of the possibility of any such damages.

20.6 Relationship. The Sponsor is an independent contractor with respect to AHP and DHCS. This Agreement is not intended to create a partnership, joint venture, employment, agency, or fiduciary relationship between the Parties or between any Party and DHCS.

20.7 Notices. Unless otherwise provided in this Agreement, each Party shall deliver all notices, requests, consents, Claims, demands, waivers, and other communications required or permitted under this Agreement (each, a "**Notice**") (i) in writing; (ii) exclusively by electronic mail ("**email**"); and (iii) sent to the other Party's Designated Representatives at the email address(es) set forth in Section 20.7.1.1 or to such other email address(es) as a Party may designate from time to time in accordance with the requirements of this Section. Counsel for a Party may send or receive a Notice on behalf of such Party.

20.7.1 The Parties acknowledge that Notices delivered by email shall be valid and binding and shall satisfy any requirement that a Notice must be in writing under applicable law, including the California Uniform Electronic Transactions Act (Cal. Civ. Code § 1633.1 et seq.), subject to the following:

20.7.1.1 For purposes of this Agreement, "**Designated Representative**" means initially (i) for AHP, BONDBHCIPRound2@ahpnet.com, and (ii) for the Sponsor, {{ lead_authorized_rep }} at {{ lar_email_sow }}{% if lead_authorized_rep != las_name_pfa %} and {{ las_name_pfa }} at {{ las_email_pfa }}{% endif %}. A Party may change a Designated Representative only upon delivery of a Notice to the receiving Party, in accordance with the requirements of Section 20.7 - 20.7.1.3.

20.7.1.2 A Notice shall be deemed effective only upon the sending Party's receipt of an acknowledgement of receipt from the receiving Party, which shall be established by a reply email from the receiving Party expressly confirming receipt of the Notice.

20.7.1.3 If the sending Party does not receive an acknowledgement of receipt from the other Party, receives a bounce-back, out-of-office message, or other automated response indicating non-receipt, the

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sending Party shall (i) re-attempt delivery to the same designated email address(es) until the other Party acknowledges receipt, or (ii) if no acknowledgement is received within a reasonable time, in the sole discretion of DHCS, deliver a Notice to the other Party by a nationally recognized overnight courier service to the address(es) set forth on the Summary Cover Sheet as an alternative. The Notice shall be deemed valid and effective on the first business day following its timely deposit with the courier service, with delivery fees prepaid for next business day delivery. The internal records of the courier service shall serve as sufficient evidence of the date of the deposit of the Notice with the courier service.

20.8 Governing Law. The place of performance of this Agreement is California and the laws of the State of California shall govern the validity, performance, enforcement, and interpretation of this Agreement. Any litigation or enforcement of an award must be brought in the appropriate federal or state court in the State of California, County of Sacramento. Each Party consents to personal and subject matter jurisdiction and venue in such courts and waives the right to change venue with respect to any such proceeding. The Parties acknowledge that all directions issued by the forum court, including injunctions and other decrees, shall be binding and enforceable in all jurisdictions and countries.

20.9 Assignment. The Sponsor shall not assign, delegate, or otherwise transfer this Agreement or its duties or obligations in connection therewith, in whole or in part, without the prior approval of AHP and DHCS. AHP's obligations under this Agreement shall be assignable to DHCS or DHCS's designee upon DHCS's request without the Sponsor's consent. In the event that AHP assigns its obligations under this Agreement to DHCS, AHP shall make commercially reasonable efforts to transition any reasonably necessary documentation related to this Agreement to DHCS or its designee; provided, however, that AHP shall have no obligation to incur any liability nor pay fees, charges, or reimbursement in connection with any assignment, wind-down, or transition of its services hereunder.

20.10 Entire Agreement; Amendments. This Agreement constitutes the entire agreement of the Parties with respect to its subject matter. It supersedes all oral or written agreements or communications between the Parties. No understanding, agreement, modification, change order, or other matter affecting this Agreement shall be binding, unless in writing, signed by both Parties. No handwritten changes shall be effective unless initialed by each Party.

20.11 Independent Legal and Tax Advice. AHP and the Sponsor, each, have reviewed and negotiated this Agreement using such independent legal and tax counsel as each has deemed appropriate. The Sponsor further acknowledges that it has been afforded the opportunity to obtain legal and tax advice concerning its legal and financial duties and obligations, including its state and federal tax liabilities related to its receipt of Program Funds, and hereby confirms by the execution and delivery of this Agreement that it has either done so or waived its right to do so in connection with entering into this Agreement. For the avoidance of doubt, the Sponsor shall be solely responsible for its tax liabilities related to its receipt of Program Funds.

20.12 Exhibits. The attachments, schedules, and addenda attached to this Agreement are a part of this Agreement and incorporated into this Agreement by reference.

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20.13 Partial Invalidity. If any part of this Agreement is unenforceable, the remainder of this Agreement and, if applicable, the application of the affected provision to any other circumstance, shall be fully enforceable.

20.14 Captions. The headings contained herein are for convenience only and are not intended to define, limit, or describe the scope or intent of any provision of this Agreement.

20.15 Force Majeure. Neither Party shall be liable to the other for loss or damages due to failure or delay in rendering performance caused by circumstances beyond its reasonable control, if such failure could not have been overcome by the exercise of due diligence, due care, or foresight. Such circumstances may include, but are not limited to, acts of God or a public enemy; wars; acts of terrorism; riots; fires; floods; epidemics; quarantine restrictions; labor disputes; strikes; defaults of subcontractors/vendors; failure/delays in transportation; unforeseen freight embargoes; unusually severe weather; or any law/order/regulation/request of a state or local government entity, the U.S. Government, or any agency, court, commission, or other instrumentality of any such governments. Times of performance under this Agreement may be appropriately extended for excused delays if the Party whose performance is affected promptly notifies the other of the existence and nature of such delay.

20.16 Publicity. Without prior written approval of the other, neither Party shall use the other's name or make reference to the other Party or any of its directors, officers, employees, consultants, or agents in publications, news releases, advertising, speeches, technical papers, photographs, sales promotions, or publicity purposes of any form related to this work or data developed hereunder, unless disclosure of such materials is required by legal, accounting, or regulatory requirements beyond the disclosing Party's reasonable control. Use of either Party's name may be made in internal documents, annual reports, and proposals. This Section shall survive expiration/termination of this Agreement. Notwithstanding the foregoing, the Sponsor agrees that the State may use and refer to the Sponsor and the Project in any publication, news release, advertising, speech, technical paper, or for any other purposes.

20.17 Notice of Litigation. Promptly, and in any event within five (5) business days after an officer or other authorized representative of the Sponsor obtains knowledge thereof, the Sponsor shall provide written notice to AHP of (i) any litigation or governmental proceeding pending against the Sponsor which could materially adversely affect the business, operations, property, assets, condition (financial or otherwise), or prospects of the Sponsor and (ii) any other event which is likely to materially adversely affect the business, operations, property, assets, condition (financial or otherwise), or prospects of the Sponsor.

20.18 Survival. Except as otherwise stated, sections that by their terms impose continuing obligations or establish continuing rights shall be deemed to survive the expiration or termination of this Agreement.

20.19 Successors. This Agreement shall be binding upon the Parties, their successors, and assigns.

20.20 Approvals. Whenever this Agreement calls for approval by either (i) a Party or (ii) DHCS, approval shall mean prior written approval (including via email), not to be unreasonably conditioned, delayed, or withheld, unless sole discretion is expressly noted.

20.21 Timeliness. Time is of the essence in this Agreement.

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SAMPLE

20.22 Counterparts; Electronic Signatures. The Parties may sign this Agreement in several counterparts, each of which constitutes an original, but all of which together constitute one instrument. Electronic signatures are valid and shall bind the Party delivering such signature.

SIGNATURES ON THE FOLLOWING PAGE

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SAMPLE

IN WITNESS THEREOF, the Parties hereto have executed this Agreement by their duly authorized respective officers as of the day and year last written below.

AHP:

ADVOCATES FOR HUMAN POTENTIAL, INC., a Massachusetts corporation

By:_____

Date:_____

SPONSOR:

{{ legal_entity_name | upper }}, {{ typ_of_legal_entity }}

By:_____
{{ las_name_pfa }}, {{ las_title_pfa }}

Date:_____

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LIST OF ATTACHMENTS

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ATTACHMENT A

STATE REQUIREMENTS

Only the State Requirements applicable to the Sponsor's Program Funding are included in this Attachment and inapplicable provisions have been intentionally omitted.

1. Federal Equal Opportunity Requirements.

a. The Sponsor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. The Sponsor will take affirmative action to ensure that qualified applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and career development opportunities and selection for training, including apprenticeship. The Sponsor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Federal Government or AHP, setting forth the provisions of the Equal Opportunity clause, section 503 of the Rehabilitation Act of 1973 and the affirmative action clause required by the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. § 4212). Such notices shall state the Sponsor's obligation under the law to take affirmative action to employ and advance in employment qualified applicants without discrimination based on their race, color, religion, sex, national origin physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era and the rights of applicants and employees.

b. The Sponsor will, in all solicitations or advancements for employees placed by or on behalf of the Sponsor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era.

c. The Sponsor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding a notice, to be provided by the Federal Government or the State, advising the labor union or workers' representative of the Sponsor's commitments under the provisions herein and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

d. The Sponsor will comply with all provisions of and furnish all information and reports required by section 503 of the Rehabilitation Act of 1973, as amended, the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. § 4212) and of the Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment

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Opportunity,' and as supplemented by regulation at 41 C.F.R. part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," and of the rules, regulations, and relevant orders of the Secretary of Labor.

e. The Sponsor will furnish all information and reports required by Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 C.F.R. part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," and the Rehabilitation Act of 1973, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the State and its designated representatives and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

f. In the event of the Sponsor's noncompliance with the requirements of the provisions herein or with any federal rules, regulations, or orders which are referenced herein, this Agreement may be cancelled, terminated, or suspended in whole or in part and the Sponsor may be declared ineligible for further federal and state contracts in accordance with procedures authorized in Federal Executive Order No. 11246 as amended and such other sanctions may be imposed and remedies invoked as provided in Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 C.F.R. part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

g. The Sponsor will include the provisions of Paragraphs a through g in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 C.F.R. part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," or section 503 of the Rehabilitation Act of 1973 or (38 U.S.C. § 4212) of the Vietnam Era Veteran's Readjustment Assistance Act, so that such provisions will be binding upon each Sponsor or vendor. The Sponsor will take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs or AHP may direct as a means of enforcing such provisions including sanctions for noncompliance provided, however, that in the event the Sponsor becomes involved in, or is threatened with litigation by a subcontractor or vendor as a result of such direction by AHP, the Sponsor may request in writing to AHP, who, in turn, may request the United States to enter into such litigation to protect the interests of the State and of the United States.

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2. Travel and Per Diem Reimbursement.

(Applicable if travel and/or per diem expenses are authorized to be reimbursed with Agreement funds.)

Reimbursement for travel and/or per diem expenses from AHP under this Agreement shall, unless otherwise specified in this Agreement, be at the rates currently in effect, as established by the California Department of Human Resources (CalHR), for nonrepresented state employees as stipulated in DHCS's Travel Reimbursement Information Exhibit in Attachment A-State Requirements. If the CalHR rates change during the term of the Agreement, the new rates shall apply upon their effective date and no amendment to this Agreement shall be necessary. Exceptions to California Department of Human Resources (CalHR) lodging rates may be approved by AHP upon the submission of a statement by the Sponsor indicating that such rates are not available to the Sponsor. No travel outside the State of California shall be reimbursed without prior authorization from DHCS. Verbal authorization should be confirmed in writing. Written authorization may be in a form including fax or email confirmation.

3. Procurement Rules.

Applicable to agreements in which equipment/property, commodities and/or supplies are furnished by AHP or DHCS or expenses for said items are reimbursed by funds with state or federal funds provided under this Agreement.

a. Equipment/Property Definitions.

Wherever the term equipment and/or property is used, the following definitions shall apply:

Major equipment/property: A tangible or intangible item having a base unit cost of Five Thousand Dollars ($5,000) or more with a life expectancy of one (1) year or more and is either furnished by DHCS or the cost is reimbursed through this Agreement. Software and videos are examples of intangible items that meet this definition.

Minor equipment/property: A tangible item having a base unit cost of less than Five Thousand Dollars ($5,000) with a life expectancy of one (1) year or more and is either furnished by DHCS or the cost is reimbursed through this Agreement.

b. Government and public entities (including state colleges/universities and auxiliary organizations), whether acting as a contractor and/or subcontractor, may secure all commodities, supplies, equipment and services related to such purchases that are required in performance of this Agreement. Said procurements are subject to Paragraphs d through h of Provision 3. Paragraph c of Provision 3 shall also apply, if equipment/property purchases are delegated to subcontractors that are nonprofit organizations or commercial businesses.

c. Intentionally Omitted.

d. Intentionally Omitted.

e. In AHP's sole discretion (e.g., when AHP has a need to monitor certain purchases, etc.), AHP, with DHCS approval, may require prior written authorization and/or

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the submission of paid vendor receipts for any purchase, regardless of dollar amount. AHP or DHCS reserves the right to either deny claims for reimbursement or to request repayment for any Sponsor purchase that AHP or DHCS determines to be unnecessary in carrying out performance under this Agreement.

f. The Sponsor must maintain a copy or narrative description of the procurement system, guidelines, rules, or regulations that will be used to make purchases under this Agreement. AHP and the State reserves the right to request a copy of these documents and to inspect the purchasing practices of the Sponsor at any time.

g. For all purchases, the Sponsor must maintain copies of all paid vendor invoices, documents, bids and other information used in vendor selection, for inspection or audit. Justifications supporting the absence of bidding (i.e., sole source purchases) shall also be maintained on file by the Sponsor for inspection or audit.

h. AHP may, with cause (e.g., with reasonable suspicion of unnecessary purchases or use of inappropriate purchase practices, etc.), and DHCS approval, withhold, cancel, modify, or retract the delegated purchase authority granted under Paragraphs b and/or c of Provision 3 by giving the Sponsor no less than thirty (30) calendar days written notice.

4. Equipment/Property Ownership/Inventory/Disposition.

(Applicable to agreements in which equipment/property is furnished by DHCS and/or AHP when said items are purchased or reimbursed by DHCS with state or federal funds provided under this Agreement.)

a. Wherever the term equipment and/or property is used in Provision 4, the definitions in Paragraph a of Provision 3 shall apply.

Unless otherwise stipulated in this Agreement, all equipment and/or property that is purchased/reimbursed with Agreement funds or furnished by AHP under the terms of this Agreement shall be considered state equipment and the property of DHCS, unless a waiver is granted.

(1) Reporting of Equipment/Property Receipt - DHCS requires the reporting, tagging and annual inventorying of all equipment and/or property that is furnished by AHP or DHCS, or purchased or reimbursed with funds provided through this Agreement.

Upon receipt of equipment and/or property, the Sponsor shall report the receipt to the AHP. To report the receipt of said items and to receive property tags, the Sponsor shall use a form or format designated by AHP. If the appropriate form does not accompany this Agreement, the Sponsor shall request a copy from AHP.

(2) Annual Equipment/Property Inventory - If the Sponsor enters into an agreement with a term of more than twelve months, the Sponsor shall submit an annual inventory of state equipment and/or property to the AHP using a form or format designated by AHP. If an inventory report form does

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not accompany this Agreement, the Sponsor shall request a copy from AHP. The Sponsor shall:

(a) Include in the inventory report, equipment and/or property in the Sponsor's possession and/or in the possession of a subcontractor (including independent consultants).

(b) Submit the inventory report to AHP according to the instructions appearing on the inventory form or issued by AHP.

(c) Contact AHP to learn how to remove, trade-in, sell, transfer or survey off, from the inventory report, expired equipment and/or property that is no longer wanted, usable or has passed its life expectancy. Instructions will be supplied by AHP.

b. Title to state equipment and/or property shall not be affected by its incorporation or attachment to any property not owned by the State.

c. Unless otherwise stipulated, AHP or DHCS shall be under no obligation to pay the cost of restoration, or rehabilitation of the Sponsor's facility which may be affected by the removal of any state equipment and/or property.

d. The Sponsor shall maintain and administer a sound business program for ensuring the proper use, maintenance, repair, protection, insurance and preservation of state equipment and/or property.

(1) In administering this provision, AHP may require the Sponsor to repair or replace, to AHP's satisfaction, any damaged, lost or stolen state equipment and/or property. In the event of state equipment and/or miscellaneous property theft, the Sponsor shall immediately file a theft report with the appropriate police agency or the California Highway Patrol and the Sponsor shall promptly submit one copy of the theft report to AHP.

e. Unless otherwise stipulated by the Program funding this Agreement, equipment and/or property purchased/reimbursed with agreement funds or furnished by AHP under the terms of this Agreement, shall only be used for performance of this Agreement or another DHCS agreement, with prior approval only.

f. Within sixty (60) calendar days prior to the termination or end of this Agreement, the Sponsor shall provide a final inventory report of equipment and/or property to AHP and shall, at that time, query DHCS as to the requirements, including the manner and method, of returning state equipment and/or property to AHP. Final disposition of equipment and/or property shall be at AHP's expense and according to AHP's instructions. Equipment and/or property disposition instructions shall be issued by AHP immediately after receipt of the final inventory report. At the termination or conclusion of this Agreement, AHP OR DHCS may at its discretion, authorize the continued use of state equipment and/or property for performance of work under a different DHCS agreement.

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5. Subcontract Requirements.

a. Intentionally Omitted.

b. DHCS reserves the right to (i) approve or disapprove the selection of subcontractors, where any such DHCS approval or disapproval may be communicated to the Sponsor by AHP, and (ii) with advance written notice, require the substitution of subcontractors and require the Sponsor to terminate subcontracts entered into in support of this Agreement. DHCS shall consult with the Sponsor prior to issuing a final disapproval of a subcontractor.

(1) Upon receipt of a written notice from AHP requiring the substitution and/or termination of a subcontract, the Sponsor shall take steps to ensure the completion of any work in progress and select a replacement, if applicable, within sixty (60) calendar days, unless a longer period is agreed to by DHCS. DHCS shall consult with the Sponsor prior to issuing a final disapproval of a subcontractor.

c. DHCS in its sole discretion, may elect to require that all actual subcontracts (i.e., written agreement between the Sponsor and a subcontractor) of Fifty Thousand Dollars ($50,000) or more shall be subject to DHCS prior review and written approval. Any such DHCS election shall be confirmed in writing by DHCS.

d. The Sponsor shall maintain a copy of each subcontract entered into in support of this Agreement and shall, upon request by AHP or DHCS, make copies available for approval, inspection, or audit.

e. AHP assumes no responsibility for the payment of subcontractors used in the performance of this Agreement. The Sponsor accepts sole responsibility for the payment of subcontractors used in the performance of this Agreement.

f. The Sponsor is responsible for all performance requirements under this Agreement even though performance may be carried out through a subcontract.

g. The Sponsor shall ensure that all subcontracts for services include provision(s) requiring compliance with applicable terms and conditions specified in this Agreement.

h. The Sponsor agrees to include the following clause, relevant to record retention, in all subcontracts for services:

> The Sponsor agrees to maintain and preserve, until three years after termination of this Agreement and final payment from AHP, to permit AHP or DHCS or any duly authorized representative, to have access to, examine or audit any pertinent books, documents, papers and records related to this subcontract and to allow interviews of any employees who might reasonably have information related to such records.

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i. Unless otherwise stipulated in writing by AHP, AHP shall be the Sponsor's sole point of contact for all matters related to performance and payment under this Agreement.

j. The Sponsor shall, as applicable, advise all subcontractors of their obligations to comply with this **Attachment A**.

6. Intentionally Omitted.

7. Audit and Record Retention.

a. The Sponsor shall maintain books, records, documents, and other evidence, accounting procedures and practices, sufficient to properly reflect all direct and indirect costs of whatever nature claimed to have been incurred in the performance of this Agreement, including any matching costs and expenses. The foregoing constitutes "records" for the purpose of this provision.

b. The Sponsor shall maintain records in a data storage medium that is accessible to AHP and DHCS. DHCS, at its sole discretion, shall determine whether the Sponsor's type of data storage medium meets this accessibility requirement.

c. The Sponsor shall maintain the list of documents as listed in Appendix V of the "Bond Accountability and Audits" guide document. View this publication at the following:
https://dof.ca.gov/media/docs/programs/osae/bond-accountability-and-oversight-activities/Bond_Accountability_and_Audits.pdf

d. The Sponsor's facility or office or such part thereof as may be engaged in the performance of this Agreement and his/her records shall be subject at all reasonable times to inspection, audit, and reproduction.

e. The Sponsor agrees that AHP, DHCS, the Department of General Services, the Bureau of State Audits, or their designated representatives including the Comptroller General of the United States shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. The Sponsor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, the Sponsor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Cal. Gov. Code, § 8546.7; Cal. Code Regs., tit. 2, § 1896.77.)

f. The Sponsor shall preserve and make available his/her records (1) for a period of thirty-five (35) years from the date of final payment under this Agreement, and (2) for such longer period, if any, as is required by applicable statute, by any other provision of this Agreement, or by subparagraphs (1) or (2) below.

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(1) If this Agreement is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of thirty-five (35) years from the date of any resulting final settlement.

(2) If any litigation, claim, negotiation, audit, or other action involving the records has been started before the expiration of the thirty-five (35) year period, the records shall be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular thirty-five (35) year period, whichever is later.

g. The Sponsor may, following receipt of final payment under this Agreement, submit a request to AHP and DHCS to reduce its accounts, books and records related to this Agreement to CD ROM, DVD, or other data storage medium accessible to AHP and DHCS. DHCS, at its sole discretion, may approve or deny this request. Upon request by an authorized representative to inspect, audit or obtain copies of said records, the Sponsor must supply or make available applicable devices, hardware, and/or software necessary to view, copy and/or print said records.

h. The Sponsor shall, if applicable, comply with the Single Audit Act and the audit requirements set forth in 2 C.F.R. § 200.501 (2014).

8. Site Inspection.

The State has the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed hereunder including subcontract supported activities and the premises in which it is being performed. If any inspection or evaluation is made of the premises of the Sponsor, the Sponsor shall provide and shall require Sponsors to provide all reasonable facilities and assistance for the safety and convenience of the authorized representatives in the performance of their duties. All inspections and evaluations shall be performed in such a manner as will not unduly delay the work.

9. Intentionally Omitted.

10. Intentionally Omitted.

11. Warranties.

The Sponsor represents and warrants that:

a. It is free to enter into and fully perform this Agreement.

b. It has secured and will secure all rights and licenses necessary for its performance of this Agreement.

c. It has not granted and shall not grant to any person or entity any right that would or might derogate, encumber, or interfere with any of the rights granted to AHP or DHCS in this Agreement.

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d. It has appropriate systems and controls in place to ensure that State funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

e. It has no knowledge of any outstanding claims, licenses or other charges, liens, or encumbrances of any kind or nature whatsoever that could affect in any way the Sponsor's performance of this Agreement.

f. All materials and equipment furnished with respect to the Project and all work performed by the Sponsor will be of good and workmanlike quality, free from faults and defects, and in conformance with the Agreement.

g. It shall comply with all applicable laws in connection with its performance of its obligations under this Agreement.

h. Intentionally Omitted.

i. It shall disclose to AHP and/or DHCS, during the Term of this Agreement, promptly upon the existence or discovery of the existence of an actual or potential transaction, agreement, or settlement with any entity, member, manager, partner, or person that directly or indirectly owns or controls, is owned or controlled by, or is under common ownership or common control with the Sponsor ("Related Party" or "Related Parties") in connection with the Project ("Related Party Transaction").

j. It shall disclose to AHP and/or DHCS, during the Term of this Agreement, promptly upon the existence or discovery of the existence of a Related Party or a Related Party Transaction: (1) the nature of the relationship, (2) the nature of the potential or actual transaction, agreement, or settlement, (3) the dollar amounts of any such transaction, agreement, or settlement, (4) the dollar amounts due to or from a Related Party, and (5) documents and any additional information, as may be required by AHP and/or DHCS in their sole discretion.

k. The provisions set forth herein shall survive any termination or expiration of this Agreement or any Project schedule.

12. Intentionally Omitted.

13. Prior Approval of Training Seminars, Workshops or Conferences.

The Sponsor shall obtain prior AHP approval of the location, costs, dates, agenda, instructors, instructional materials, and attendees at any reimbursable training seminar, workshop, or conference conducted pursuant to this Agreement and of any reimbursable publicity or educational materials to be made available for distribution. The Sponsor shall acknowledge the support of the State whenever publicizing the work under this Agreement in any media. This provision does not apply to necessary staff meetings or training sessions held for the staff of the Sponsor to conduct routine business matters.

14. Confidentiality of Information.

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a. The Sponsor and its employees, agents, or subcontractors shall protect from unauthorized disclosure names and other identifying information concerning persons either receiving services pursuant to this Agreement or persons whose names or identifying information become available or are disclosed to the subcontractors as a result of services performed under this Agreement, except for statistical information not identifying any such person.

b. The Sponsor and its employees, agents shall not use such identifying information for any purpose other than carrying out the Sponsor's obligations under this Agreement.

c. The Sponsor and its employees, agents shall promptly transmit to the AHP Contract Office or Project Manager all requests for disclosure of such identifying information not emanating from the client or person.

d. The Sponsor shall not disclose, except as otherwise specifically permitted by this Agreement or authorized by the client, any such identifying information to anyone other than AHP without prior written authorization from the AHP Contract Office or Project Manager, except if disclosure is required by State or Federal law.

e. For purposes of this provision, "identity" shall include, but not be limited to name, identifying number, symbol, or other identifying particular assigned to the individual, such as finger or voice print or a photograph.

f. As deemed applicable by AHP or DHCS, this provision may be supplemented by additional terms and conditions covering personal health information (PHI) or personal, sensitive, and/or confidential information (PSCI). Said terms and conditions will be outlined in one or more exhibits that will either be attached to this Agreement or incorporated into this Agreement by reference.

15. Intentionally Omitted.

16. Intentionally Omitted.

17. Intentionally Omitted.

18. Intentionally Omitted.

19. Novation.

If the Contractor proposes any novation agreement, DHCS shall act upon the proposal within sixty (60) days after receipt of the written proposal. DHCS may review and consider the proposal, consult and negotiate with the Contractor, and accept or reject all or part of the proposal. Acceptance or rejection of the proposal may be made orally within the sixty (60)-day period and confirmed in writing within five (5) days of said decision. Upon written acceptance of the proposal, DHCS will initiate an amendment to this Agreement to formally implement the approved proposal.

20. Intentionally Omitted.

21. Intentionally Omitted.

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22. Intentionally Omitted.

23. Intentionally Omitted.

24. Intentionally Omitted.

25. Officials Not to Benefit.

No members of or delegate of Congress or the State Legislature shall be admitted to any share or part of this Agreement or to any benefit that may arise therefrom. This provision shall not be construed to extend to this Agreement if made with a corporation for its general benefits.

26. Intentionally Omitted.

27. Intentionally Omitted.

28. Intentionally Omitted.

29. Intentionally Omitted.

30. Intentionally Omitted.

31. Intentionally Omitted.

32. Suspension or Stop Work Notification.

a. AHP, only with the approval from DHCS, may, at any time, issue a notice to suspend performance or stop work under this Agreement. The initial notification may be a verbal or written directive issued by the funding Program's Contract Manager. Upon receipt of said notice, the Sponsor is to suspend and/or stop all, or any part, of the work called for by this Agreement.

b. Written confirmation of the suspension or stop work notification with directions as to what work (if not all) is to be suspended and how to proceed will be provided within thirty (30) working days of the verbal notification. The suspension or stop work notification shall remain in effect until further written notice is received from AHP or DHCS. The resumption of work (in whole or part) will be at AHP's or DHCS' discretion and upon receipt of written confirmation.

(1) Upon receipt of a suspension or stop work notification, the Sponsor shall immediately comply with its terms and take all reasonable steps to minimize or halt the incurrence of costs allocable to the performance covered by the notification during the period of work suspension or stoppage.

(2) Within ninety (90) days of the issuance of a suspension or stop work notification, AHP or DHCS shall either:

(a) Cancel, extend, or modify the suspension or stop work notification; or

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(b) Terminate the Agreement as provided for in the Cancellation / Termination clause of the Agreement.

c. If a suspension or stop work notification issued under this clause is canceled or the period of suspension or any extension thereof is modified or expires, the Sponsor may resume work only upon written concurrence of AHP or DHCS.

d. If the suspension or stop work notification is cancelled and the Agreement resumes, changes to the services, deliverables, performance dates, and/or agreement terms resulting from the suspension or stop work notification shall require an amendment to the Agreement.

e. If a suspension or stop work notification is not canceled and the Agreement is cancelled or terminated pursuant to the provision entitled Cancellation/ Termination, AHP or DHCS shall allow reasonable costs resulting from the suspension or stop work notification in arriving at the settlement costs.

f. AHP and DHCS, each individually, and collectively, shall not be liable to the Sponsor for loss of profits because of any suspension or stop work notification issued under this clause.

33. Intentionally Omitted.

34. Compliance with Statutes and Regulations.

a. The Sponsor shall comply with all California and federal law, regulations, and published guidelines, to the extent that these authorities contain requirements applicable to the Sponsor's performance under the Agreement.

b. These authorities include, but are not limited to, Title 2, Code of Federal Regulations (CFR) Part 200, subparts D, E, and F, Appendix II; Title 42 CFR Part 431, subpart F; Title 42 CFR Part 433, subpart D; Title 42 CFR Part 434; Title 45 CFR Part 75, subpart D; and Title 45 CFR Part 95, subpart F. To the extent applicable under federal law, this Agreement shall incorporate the contractual provisions in these federal regulations and they shall supersede any conflicting provisions in this Agreement.

35. Intentionally Omitted.

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ATTACHMENT B

State of California
Department of Health Care Services

CERTIFICATION REGARDING LOBBYING

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer of employee of Congress, or an employee of a Member of Congress in connection with the making, awarding, or entering into of this Federal contract, Federal grant, or cooperative agreement, and the extension, continuation, renewal, amendment, or modification of this Federal contract, grant or cooperative agreement.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency of the United States Government, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure of Lobbying Activities" in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontractors, subgrants, and contracts under grants and cooperative agreements) of One Hundred Thousand Dollars ($100,000) or more, and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by § 1352, Title 31, U.S.C., any person who fails to file the required certification shall be subject to a civil penalty of not less than Ten Thousand Dollars ($10,000) and not more than One Hundred Thousand Dollars ($100,000) for each such failure.

{{ legal_entity_name }}, {{ typ_of_legal_entity }}{{ las_name_pfa }}	
Name of the Sponsor Printed	**Name of Person Signing for Sponsor**
{{ contract_id }}	
Contract Number	**Signature of Person Signing for Sponsor**
	{{ las_title_pfa }}
Date	**Title**

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After execution by or on behalf of the Sponsor, please return to:
California Department of Health Care Services

CERTIFICATION REGARDING LOBBYING

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352

☐ Check this box if not applicable

1. Type of Federal Action: a. Contract b. Grant c. Cooperative Agreement d. Loan e. Loan guarantee f. Loan insurance	**2. Status of Federal Action:** a. bid/offer/application b. initial award c. post-award	**3. Report Type:** a. Initial filing b. Material change For Material Change Only: Year ____ Quarter _____ Date of Last Report _____
4. Name and Address of Reporting Entity: ☐ Prime ☐ Subawardee Tier_____, if known Congressional District, if known: _____	**5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime:** Congressional District, if known: _____	
6. Federal Department/Agency:	**7. Federal Program Name/Description:** CFDA Number, if applicable: _____	
8. Federal Action Number, if known:	**9. Award Amount, if known:** $_____	
10a. Name and Address of Lobbying Registrant (If individual, last name, first name, MI):	**10b. Individuals Performing Services (including address if different from 10a.) (last name, first name, MI):**	

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11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person that fails to file the required disclosure shall be subject to a fine not to exceed $100,000 for each such failure.	Signature: _____ Print Name: {{ las_name_pfa }} Title: {{ las_title_pfa }} Telephone No. {{ las_cell_num_pfa }} Date: _____

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to U.S.C. §1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.

2. Identify the status of the covered Federal action.

3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date and of the last previously submitted report by this reporting entity for this covered Federal action.

4. Enter the full name, address, city, state and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be a prime or subaward recipient. Identify the tier of the

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subawardee, e.g., the first subawardee of the prime is the first tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.

5. If the organization filing the report in item 4 checks "Subawardee", then enter the full name, address, city, state and zip code of the prime Federal recipient. Include Congressional District, if known.

6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, in known. For example, Department of Transportation, United States Coast Guard.

7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.

8. Enter the most appropriate Federal identifying number available for the Federal action identified in Item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB); grant announcement number; the contract, grant or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."

9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.

10. **(a)** Enter the full name, address, city, state and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.

(b) Enter the full names of the individual(s) performing services, and include full address if different from 10(a). Enter Last Name, First Name, and Middle Initial (MI).

11. The certifying official shall sign and date the form, print his/her name, title and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is OMN No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503.

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ATTACHMENT C

THE SPONSOR PUBLIC WORKS CERTIFICATION

The Sponsor Certification Clause
CCC 04/2017

CERTIFICATION

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective Sponsor to the clause(s) listed below. This certification is made under the laws of the State of California.

Sponsor/Bidder Firm Name (Printed)	Federal ID Number
{{ legal_entity_name }}, {{ typ_of_legal_entity }}	{{ agency_tax_id }}

By (Authorized Signature)

{{ las_name_pfa }}, {{ las_title_pfa }}
Printed Name and Title of Person Signing

Date Executed	Executed in the County of
	{{ county }}

SPONSOR CERTIFICATION CLAUSES

ARTICLE 1. STATEMENT OF COMPLIANCE

The Sponsor has, unless exempted, complied with the nondiscrimination program requirements. (Cal. Gov. Code, § 12990, subds. (a)-(f); Cal. Code Regs., tit. 2, § 11102) (Not applicable to public entities.)

ARTICLE 2. DRUG-FREE WORKPLACE REQUIREMENTS

The Sponsor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

a) Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.

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b) Establish a Drug-Free Awareness Program to inform employees about:

1. the dangers of drug abuse in the workplace;

2. the person's or organization's policy of maintaining a drug-free workplace;

3. any available counseling, rehabilitation and employee assistance programs; and

4. penalties that may be imposed upon employees for drug abuse violations.

c) Every employee who works on the proposed Agreement will:

1. receive a copy of the company's drug-free policy statement; and

2. agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and the Sponsor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: (1) the Sponsor has made false certification, or (2) violated the certification by failing to carry out the requirements as noted above. (Cal. Gov. Code, § 8350 et seq.)

ARTICLE 3. NATIONAL LABOR RELATIONS BOARD CERTIFICATION

The Sponsor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against the Sponsor within the immediately preceding two-year period because of the Sponsor's failure to comply with an order of a Federal court which orders the Sponsor to comply with an order of the National Labor Relations Board. (Cal. Pub. Contract Code, § 10296) (Not applicable to public entities.)

ARTICLE 4. INTENTIONALLY OMITTED.

ARTICLE 5. SWEATFREE CODE OF CONDUCT

a) All Sponsors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works Agreement, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the Agreement have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of

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children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The Sponsor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov and California Public Contract Code section 6108.

b) The Sponsor agrees to cooperate fully in providing reasonable access to the Sponsor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations, or the Department of Justice to determine the Sponsor's compliance with the requirements under paragraph (a).

ARTICLE 6. DOING BUSINESS WITH THE STATE OF CALIFORNIA

The following laws apply to persons or entities doing business with the State of California.

6.1 LABOR CODE/WORKERS' COMPENSATION:

The Sponsor needs to be aware of the provisions which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions, and the Sponsor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Cal. Lab. Code, § 3700.)

It is hereby mutually agreed that the Sponsor shall forfeit to the State a monetary penalty as determined in California Labor Code section 1775 for each calendar day, or portion thereof, for each worker paid by him or her, or subcontractor under him or her, less than the prevailing wage so stipulated and in addition the contractor further agrees to pay to each worker the difference between the actual amount paid for each calendar day, or portion thereof, and the stipulated prevailing wage rate for the same. This provision shall not apply to properly, registered apprentices.

It is further agreed that the maximum hours a worker is to be employed is limited to eight hours a day and forty (40) hours a week and the contractor shall forfeit, as a penalty to the State, twenty-five dollars ($25.00) for each worker employed in the execution of the contract for each calendar day during which a worker is required or permitted to labor more than eight hours in any calendar day or more than forty (40) hours in any calendar week, in violation of California Labor Code sections 1810-1815, inclusive.

Properly registered apprentices may be employed in the prosecution of the work. Every such apprentice shall be paid the standard wage paid to apprentices under the regulations of the craft or trade at which he or she is employed, and shall be employed only at the work of the craft or trade to which he or she is registered. The contractor and each subcontractor must comply with the requirements of California Labor Code section 1777.5 and any related regulations regarding the employment of registered apprentices.

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Each contractor and subcontractor shall comply with California Labor Code section 1776 regarding record keeping.

6.2 AMERICANS WITH DISABILITIES ACT:

The Sponsor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. § 12101 et seq.)

6.3 THE SPONSOR'S NAME CHANGE:

An amendment is required to change the Sponsor's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

6.4 CORPORATE QUALIFICATION TO DO BUSINESS IN CALIFORNIA:

a) When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the Sponsor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.

b) "Doing business" is defined in California Revenue and Taxation Code section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate Sponsor performing within the state not be subject to the franchise tax.

c) Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

6.5 RESOLUTION:

A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

6.6 AIR OR WATER POLLUTION VIOLATION:

Under the State laws, the Sponsor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to section 13301 of the California Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

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6.7 PAYEE DATA RECORD FORM STD. 204:

This form must be completed by all Sponsors that are not another state agency or other government entity.

6.8 CALIFORNIA CIVIL RIGHTS LAWS:

For Agreement executed or renewed after January 1, 2017, the Sponsor certifies compliance with the Unruh Civil Rights Act (section 51 of the California Civil Code) and the Fair Employment and Housing Act (section 12960 of the California Government Code).

6.9 EMPLOYER DISCRIMINATION POLICIES:

For Agreements executed or renewed after January 1, 2017, if the Sponsor has an internal policy against a sovereign nation or peoples recognized by the United States government, the Sponsor certifies that such policies are not used in violation of the Unruh Civil Rights Act (section 51 of the California Civil Code) and the Fair Employment and Housing Act (section 12960 of the California Government Code).

6.10 ANTITRUST CLAIMS:

The Sponsor offers and agrees and will require all of its contractors and subcontractors and suppliers to agree to assign to the awarding body all rights, title, and interest in and to all causes of action they may have under section 4 of the Clayton Act (Title 15, U.S.C. § 15) or under the Cartwright Act (Chapter 2 [commencing with section 16700] of Part 2 of Division 7 of the Business and Professions Code) arising from purchases of goods, services, or materials pursuant to the public works contract or subcontract. The assignment made by the contractor and all additional assignments made by the subcontractors and suppliers shall be deemed to have been made and will become effective at the time the awarding body tenders final payment to the contractor without further acknowledgment or the necessity of tendering to the awarding body any written assignments.

If an awarding body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under California Government Code sections 4550 to 4554, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, on demand, recover from the public body any portion of the recovery, including treble damages, and attributable overcharges that were paid by the assignor but were not paid by the public body as a part of the bid price, less the expenses incurred in obtaining that portion of the recovery. On demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under California Government Code sections 4550 to 4554 if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action.

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ATTACHMENT D

STATEMENT OF WORK ("SOW")

A: PROJECT AND SPONSOR INFORMATION
Sponsor Name: **Entity type:** **Project UUID:** **Project Name:** **Project Address:**
B: PROGRAM FUNDS
Program Funds: **Acquisition with Grant Funds:**
C: PROJECT NARRATIVE (as described in the RFA)
1. Behavioral health purpose of the Project 2. Population to be served by the Project

D: PROJECT EXPANSION SCOPE REQUIREMENTS		
Facility Type 1:	**# New Beds:**	**# New Slots:**
Facility Type 2:	**# New Beds:**	**# New Slots:**
Facility Type 3:	**# New Beds:**	**# New Slots:**
Facility Type 4:	**# New Beds:**	**# New Slots:**
Facility Type 5:	**# New Beds:**	**# New Slots:**

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Facility Type 6:	**# New Beds:**	**# New Slots:**
Facility Type 7:	**# New Beds:**	**# New Slots:**
Facility Type 8:	**# New Beds:**	**# New Slots:**
	Total # New Beds:	**Total # New Slots:**

E: PROJECT MILESTONES AND DELIVERABLES

Milestone documentation and certifications must be submitted within sixty (60) days of meeting each milestone. Future Bond BHCIP Round 2: Unmet Needs funding for this Project is dependent on successful completion of the minimum requirements and match minimum requirements at this Project Milestone and the terms and conditions of the Program Funding Agreement.

E.1 Minimum Requirements

1. Executed Program Funding Agreement
2. Board Authorizing Resolutions (BAR), if applicable
3. Completed Government Agency Taxpayer ID Form (W-9)
4. Opinion Letter by Legal Counsel
5. Certificates of Insurance: Commercial General Liability, Workers' Compensation, and Property
6. Current Title Report issued within the last thirty (30) days, if applicable
7. Recorded Declaration of Restrictions (DoR)
8. Certification #5 - Declaration of Restrictions
9. Execution of Facility Access Agreement (FAA) with State of California, Department of Health Care Services
10. Certification #1 - Budget Prevailing Wage Compliance
11. Certification #2 - Related Party and Related Party Transaction Disclosure
12. Certification #3 – Execution of Program Funding Agreement
13. Certification #6 - Legal Review of CA Welfare and Institution Code §5960.31
14. Certification #19 – Execution of a Facility Access Agreement with State of California, Department of Health Care Services
15. Program Funding Projection Survey

E.2 Match Minimum Requirements

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1. Documentation to satisfy that Sponsor has an In-Kind Match, if applicable:
    a. Property Value Documentation (Tax Assessor's Value or Certified Appraisal)
    b. Sunk Costs Value Documentation (paid receipts, invoices, payment validation)
2. Documentation to satisfy evidence of Cash Match Funds as approved by DHCS. Entire cash match must be expended prior to disbursement of the final up to twenty-five percent (25%) of Program Funds ("**Withheld Funds**") to Sponsor.
3. Certification # 4 - Match Funds, Property Equity, or In-Kind Match

E.3 Acquisition

In addition to the deliverables listed in Minimum Requirements, all projects acquired with Bond BHCIP funds will be required to submit:

1. Purchase and Sale Agreement (mutually executed by buyer and seller)
2. Certified Appraisal Report of Target Acquisition Property
3. Estimate of Escrow Closing Costs
4. Phase 1 Environmental Report
5. Phase 2 Environmental Report, if necessary
6. Asbestos Assessment and Lead-Based Paint Report
7. Certification #8 - Due Diligence Completed
8. Evidence of Any Additional Funds Necessary to Acquire Real Property, if necessary
9. Signed Escrow Instructions including Final Settlement Statement
10. Planning Agency Review Narrative
11. Certification #7 - Planning Agency Review

E.4 Pre-Construction (Planning and Permitting)

1. Phase 1 environmental report
2. Phase 2 environmental report, if necessary
3. Asbestos assessment and lead-based paint report (only required for rehabilitations)
4. Evidence of remediation or abatement, if necessary
5. Certification # 8 - Due Diligence Completed, if not previously provided
6. Planning Agency Review Narrative, if not previously provided
7. Certification # 7 - Planning Agency Review, if not previously provided
8. Certification # 9 - Design Development Drawings Are 100% Complete
9. Certification # 10 – Construction Drawings for First Submittal To Building Department

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E.5 Start of Construction (Notice to Proceed and Executed Construction Contract)
1. Certificate of Insurance: Builders' Risk 2. Complete set of approved/stamped construction drawings 3. Executed construction contract with Construction Contract Addendum (**Attachment I** within PFA) 4. Certification # 11 – Construction Contract with Construction Contract Addendum 5. Confirmation the project has been registered with the California Department of Industrial Relations (DIR) 6. Evidence of Payment and Performance Bond by general contractor 7. Certification # 12 – Prevailing Wage Compliance 8. Copy of building permits 9. Approvals and Written Utility Service Commitments (will serve letters) from all Local Agencies, as required 10. Copy of Notice of Exemption filed for California Environmental Quality Act 11. Certification # 13 – Utility Service Commitments, Building Permit Receipt, and Notice Of Exemption Filed 12. Updated construction contract budget & schedule prior to issuance of Notice to Proceed 13. Evidence of Property Insurance (rehabilitation) – review to ensure coverage is "equal to the full replacement costs of all improvements" per the PFA 14. Evidence of Workers' Compensation Insurance, Automobile Insurance, and General Liability Insurance 15. Copy of Notice to Proceed with issue date 16. Certification # 14 – Required Insurance and Notice to Proceed
E.6 Project Construction 50% Complete
1. Certification #15 – Project Construction is 50% Complete 2. Updated construction budget and schedule from general contractor at expenditure of 50% of the costs of construction
E.7 Construction Complete, Licensing, and Operations
1. Temporary Certificate of Occupancy, if necessary 2. Certification #16 – Receipt of Certificate of Occupancy (CoO) 3. Certification #17 – Notice of Completion and Receipt of Conditional/Unconditional Final Release of Liens 4. Copy of Notice of Completion 5. Certification #18 – Receipt of Business License and Operational

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6. Certification #20 –Project Close-Out, Retention Funds, Excess Funds, And Continued Compliance

F. FUNDING REQUIREMENTS

Minimum Requirements for all requests:

1. Complete Draw Request for Program Funds inclusive of signed sponsor draw request form, invoice index, all proof of payment (including preliminary lien notices, conditional lien waivers, and lien release), if applicable
2. Site inspections reports, as necessary
3. Budget reallocation request, if applicable
4. Requirements associated with project milestone (Section E), dependent on project type
5. Updated Program Funding Projection Survey
6. DHCS Forms 1203 and 1204, as needed for purchases of Furniture, Fixtures, and Equipment (FF&E), if applicable
7. Regular progress reports to AHP but in all events at least once every thirty (30) days
8. Additional documentation as required at the sole discretion of AHP or DHCS.

Release of Retention Funds

9. Retention Funds, equal to ten percent (10%) of total Program Funds, are withheld as financial security until the contractor satisfactorily completes the construction work in accordance with contract requirements.
10. Retention Funds shall be released only upon the Sponsor's submission of Certification No. 17, "Notice of Completion and Receipt of Conditional/Unconditional Final Releases of Liens," in a form and substance acceptable to AHP or DHCS, and any additional supporting documentation, as may be required, subject to approval by AHP or DHCS.

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SCHEDULE 1

BOND BHCIP ROUND 2 FORM 2: UNMET NEEDS BUDGET	
Applicant Name	
Primary Applicant's legal entity type	
BOND BHCIP ROUND 2 BUDGET: GRANT REQUEST	
FEASIBILITY/DUE DILIGENCE	
USE OF FUNDS	**To be funded by grant**
Owner Administration (10% autofill)	$0.00
Legal	
Architect (schematic drawings/fit study)	
Consultants (specify)	
Engineering	
Construction Manager/Owner's Representative	
Preliminary Title Report (submitted with application)	
Phase 1 Environmental Report	
Phase 2 Environmental Report, if necessary	
Site Surveys (soils and environmental)	
Other Feasibility / Due Diligence Costs	
Other Feasibility / Due Diligence Costs	
DEVELOPMENT PLANNING	
USE OF FUNDS	**To be funded by grant**
Owner Administration (10% autofill)	$0.00
Legal	
Architecture (design drawings and construction drawings)	
Construction Manager/Owner's Representative	
Civil Engineer	
Mechanical, Electrical, and Plumbing (MEP) Engineer	
Structural Engineer	
Certified Appraisal Fee (for Property Match)	
Consultants (specify)	
Consultants (specify)	

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Consultants (specify)	
Other Developmental Planning Costs (specify)	
Other Developmental Planning Costs (specify)	
Other Developmental Planning Costs (specify)	
Contingency (20% autofill)	$0.00
Total Development Planning Costs	$0.00
LAND COSTS/ACQUISITION	
USE OF FUNDS	**To be funded by grant**
Owner Administration (2% autofill)	$0.00
Land Cost or Purchase Price	
Closing Costs	
Legal Fees	
Broker's Fee	
Appraisal Fee	
Property Insurance at Closing	
Construction Manager	
Demolition Involved in Acquisition	
Other Acquisition Costs (specify)	
Contingency (5% autofill)	$0.00
Total Land Costs	$0.00
Off-Site Improvements (if needed)	
Total Acquisition Costs	$0.00
REHABILITATION OF EXISTING FACILITY	
USE OF FUNDS	**To be funded by grant**
Owner Administration (5% autofill)	$0.00
Legal	
Construction Manager/Owner's Representative	
Physical Needs Assessment (PNA)	
Asbestos and Lead Paint Survey (required for all rehabs)	
Site Work/Grading (materials and labor)	
Hard Costs (materials and labor); labor must include prevailing wages	
Furniture/Fixtures/Equipment (FFE; 10% cap)	
Demolition	
Contractor Overhead	

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Contractor Profit	
Prevailing Wages Administration	
Builder's Risk Insurance	
General Liability Insurance	
Project Inspection	
Urban Greening	
Other Rehabilitation (specify)	
Other Rehabilitation (specify)	
Other Rehabilitation (specify)	
Owner's Contingency (20% autofill)	$0.00
Total Rehabilitation Costs	$0.00
GROUND-UP NEW CONSTRUCTION	
USE OF FUNDS	**To be funded by grant**
Owner Administration (5% autofill)	$0.00
Legal	
Construction Manager/Owner's Representative	
Site Work (materials and labor)	
Hard Costs (materials and labor); labor must include prevailing wages	
Furniture/Fixtures/Equipment (FFE; 10% cap)	
Demolition	
General Conditions/Requirements	
Contractor Profit	
Prevailing Wages Administration	
Builder's Risk Insurance	
General Liability Insurance	
Project Inspection	
Urban Greening	
Other New Construction (specify)	
Other New Construction (specify)	
Other New Construction (specify)	
Other New Construction (specify)	
Other New Construction (specify)	
Owner's Contingency (20% autofill)	$0.00
Total New Construction Costs	$0.00
CONSTRUCTION PERMITS AND FEES	
USE OF FUNDS	**To be funded by grant**

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Owner Administration (10% autofill)	$0.00
Payment and Performance Bonds by General Contractor	
Building Permit Fees	
Local Development Impact Fees	
DIR Employment Reporting	
Other Construction Permits and Fees (specify)	
Other Construction Permits and Fees (specify)	
Other Construction Permits and Fees (specify)	
Owner's Contingency (10% autofill)	$0.00
Total Construction Permits and Fees	$0.00
RESERVES	
USE OF FUNDS	**To be funded by grant**
Operating Reserves (rehabilitation)	
Additional Cash Match (in excess of the required match percentage)	
Total Reserves Amount	$0.00
OTHER PROJECT COSTS	
USE OF FUNDS	**To be funded by grant**
Post-Construction Commissioning	
Accounting/Reimbursable	
Other Costs (specify)	
Other Costs (specify)	
Other Costs (specify)	
Other Costs (specify)	
Owner's Contingency (10% autofill)	$0.00
Total Other Project Costs	$0.00
Post-Construction Commissioning	
DEVELOPER COSTS	
USE OF FUNDS	**To be funded by grant**
Developer Overhead	
Consultants/Processing Agents	
Project Administration	
Other Developer Costs (specify)	
Total Developer Costs	$0.00
TOTAL BOND BHCIP ROUND 2 FUNDING:	

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ATTACHMENT E

PAYMENT SCHEDULE

Payment Schedule

Payment schedule: The Sponsor shall submit a complete request for Program Funds monthly no later than the last day of each month to AHP and DHCS in a form acceptable to AHP and DHCS, for a specific amount of funds confirmed by specific invoices and supporting documents for actual work completed. The Sponsor shall submit a draw request for any expenditure no later than forty-five (45) days from the date the Sponsor incurs the expense. AHP shall disburse Program Funds to the Sponsor's account upon written approval of the Sponsor's complete draw request, contingent upon the availability of Bond BHCIP Funds.

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ATTACHMENT F

THE SPONSOR COMPLIANCE CERTIFICATIONS

CERTIFICATION NO. 1	**BUDGET PREVAILING WAGE COMPLIANCE**
CERTIFICATION NO. 2	**RELATED PARTY & RELATED PARTY TRANSACTION DISCLOSURE**
CERTIFICATION NO. 3	**EXECUTION OF PROGRAM FUNDING AGREEMENT**
CERTIFICATION NO. 4	**MATCH FUNDS, PROPERTY EQUITY, OR IN-KIND MATCH**
CERTIFICATION NO. 5	**DECLARATION OF RESTRICTIONS**
CERTIFICATION NO. 6	**LEGAL REVIEW OF CA WELFARE AND INSTITUTIONS CODE §5960.31**
CERTIFICATION NO. 7	**PLANNING AGENCY REVIEW**
CERTIFICATION NO. 8	**DUE DILIGENCE COMPLETED**
CERTIFICATION NO. 9	**DESIGN DEVELOPMENT DRAWINGS 100% COMPLETE**
CERTIFICATION NO. 10	**CONSTRUCTION DRAWINGS FOR FIRST SUBMITTAL TO BUILDING DEPARTMENT**
CERTIFICATION NO. 11	**CONSTRUCTION CONTRACT WITH CONSTRUCTION CONTRACT ADDENDUM**
CERTIFICATION NO. 12	**PREVAILING WAGE COMPLIANCE**
CERTIFICATION NO. 13	**UTILITY SERVICE COMMITMENTS, BUILDING PERMIT RECEIPT AND NOTICE OF EXEMPTION FILED**
CERTIFICATION NO. 14	**REQUIRED INSURANCE AND NOTICE TO PROCEED**
CERTIFICATION NO. 15	**PROJECT CONSTRUCTION IS 50% COMPLETE**
CERTIFICATION NO. 16	**RECEIPT OF CERTIFICATE OF OCCUPANCY**
CERTIFICATION NO. 17	**NOTICE OF COMPLETION AND RECEIPT OF CONDITIONAL/UNCONDITIONAL FINAL RELEASES OF LIENS**
CERTIFICATION NO. 18	**RECEIPT OF BUSINESS LICENSE AND OPERATIONAL**
CERTIFICATION NO. 19	**EXECUTION OF A FACILITY ACCESS AGREEMENT WITH STATE OF CALIFORNIA, DEPARTMENT OF HEALTH CARE SERVICES**
CERTIFICATION NO. 20	**PROJECT CLOSE-OUT, RETENTION FUNDS, EXCESS FUNDS, AND CONTINUED COMPLIANCE**

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SPONSOR'S CERTIFICATION NO. 1

BUDGET PREVAILING WAGE COMPLIANCE

I, {{ las_name_pfa }}, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California (the "**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. As part of the application, the Sponsor has submitted a construction budget for the Project. The construction budget was prepared with the assistance and/or consultation of a licensed contractor, architect, or experienced construction manager; the licensed contractor, architect, or construction manager was informed that the Project is a Public Works project as that term is defined in the California Labor Code section 1720 et. seq.; and was prepared using the applicable prevailing wages for all construction work to be performed as part of the Project in accordance with California Labor Code section 1720 et seq.

4. The Sponsor further certifies that the Sponsor (i) has been provided with copies of California Labor Code sections 1771, 1775, 1776, 1777.5, 1813 and 1815, attached hereto as Schedule 1; (ii) has included, or shall include, those California Labor Code provisions in the construction contract with the licensed contractor; and (iii) has notified, or shall notify, the licensed contractor that such California Labor Code provisions must be included in any subcontracts.

5. The Sponsor acknowledges and agrees to periodically review the licensed contractors' payroll records to monitor compliance with California prevailing wage requirements and to take diligent action if the Sponsor discovers any failure by the licensed contractor or any of its subcontractors to pay prevailing wages or to otherwise comply with the requirements of the California Labor Code.

6. The Sponsor agrees, in accordance with California Labor Code section 1773.3, to provide notice to the California Department of Industrial Relations ("**DIR**") of the construction contract within thirty (30) days of the award of such construction contract.

7. The Sponsor shall require the licensed contractor to keep accurate payroll records in compliance with California Labor Code section 1776 and shall require the licensed contractor to make such records available to the DIR in accordance with California Labor Code section 1771.4(a)(3).

8. The Sponsor shall comply with, and shall require its licensed contractor to comply with, any and all other requirements of the California Labor Code related to prevailing wages, all California

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wage and hours laws, and any applicable federal labor and wage and hour requirements for the duration of the Project.

I certify under penalty of perjury that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 1, Budget Prevailing Wage Compliance, as a condition of receiving the Program Funds.

_____
Authorized Signature

{{ las_name_pfa }}
Typed Name of Signatory

{{ las_title_pfa }}
Title of Signatory

_____
Date

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Schedule 1
Copies of California Labor Code Sections 1771, 1775, 1776, 1777.5, 1813, and 1815 Attached

STATE PREVAILING WAGES STATUTES

The provisions of California Labor Code sections 1771, 1775, 1776, 1777.5, 1813, and 1815, as set out below and as may be amended, must be incorporated into all construction contracts. All references to sections are to sections of the California Labor Code.

(i) Section 1771:

"Except for public works projects of one thousand dollars ($1,000) or less, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the public work is performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work fixed as provided in this chapter, shall be paid to all workers employed on public works.

This section is applicable only to work performed under contract, and is not applicable to work carried out by a public agency with its own forces. This section is applicable to contracts let for maintenance work."

(ii) Section 1775:

"(a) (1) The contractor and any subcontractor under the contractor shall, as a penalty to the state or political subdivision on whose behalf the contract is made or awarded, forfeit not more than two hundred dollars ($200) for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rates as determined by the director for the work or craft in which the worker is employed for any public work done under the contract by the contractor or, except as provided in subdivision (b), by any subcontractor under the contractor.

(2) (A) The amount of the penalty shall be determined by the Labor Commissioner based on consideration of both of the following:

(i) Whether the failure of the contractor or subcontractor to pay the correct rate of per diem wages was a good faith mistake and, if so, the error was promptly and voluntarily corrected when brought to the attention of the contractor or subcontractor.

(ii) Whether the contractor or subcontractor has a prior record of failing to meet its prevailing wage obligations.

(B) (i) The penalty may not be less than forty dollars ($40) for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rate, unless the failure of the contractor or subcontractor to pay the correct rate of per diem wages was a good faith mistake and, if so, the error was promptly and voluntarily corrected when brought to the attention of the contractor or subcontractor.

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(ii) The penalty may not be less than eighty dollars ($80) for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rate, if the contractor or subcontractor has been assessed penalties within the previous three years for failing to meet its prevailing wage obligations on a separate contract, unless those penalties were subsequently withdrawn or overturned.

(iii) The penalty may not be less than one hundred twenty dollars ($120) for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rate, if the Labor Commissioner determines that the violation was willful, as defined in subdivision (c) of Section 1777.1.

(C) If the amount due under this section is collected from the contractor or subcontractor, any outstanding wage claim under Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 against that contractor or subcontractor shall be satisfied before applying that amount to the penalty imposed on that contractor or subcontractor pursuant to this section.

(D) The determination of the Labor Commissioner as to the amount of the penalty shall be reviewable only for abuse of discretion.

(E) The difference between the prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the contractor or subcontractor, and the body awarding the contract shall cause to be inserted in the contract a stipulation that this section will be complied with.

(b) If a worker employed by a subcontractor on a public works project is not paid the general prevailing rate of per diem wages by the subcontractor, the prime contractor of the project is not liable for any penalties under subdivision (a) unless the prime contractor had knowledge of that failure of the subcontractor to pay the specified prevailing rate of wages to those workers or unless the prime contractor fails to comply with all of the following requirements:

(1) The contract executed between the contractor and the subcontractor for the performance of work on the public works project shall include a copy of the provisions of this section and Sections 1771, 1776, 1777.5, 1813, and 1815.

(2) The contractor shall monitor the payment of the specified general prevailing rate of per diem wages by the subcontractor to the employees, by periodic review of the certified payroll records of the subcontractor.

(3) Upon becoming aware of the failure of the subcontractor to pay his or her workers the specified prevailing rate of wages, the contractor shall diligently take corrective action to halt or rectify the failure, including, but not limited to, retaining sufficient funds due the subcontractor for work performed on the public works project.

(4) Prior to making final payment to the subcontractor for work performed on the public works project, the contractor shall obtain an affidavit signed under penalty of perjury from the subcontractor that the subcontractor has paid the specified general prevailing rate of

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per diem wages to his or her employees on the public works project and any amounts due pursuant to Section 1813.

(c) The Division of Labor Standards Enforcement shall notify the contractor on a public works project within 15 days of the receipt by the Division of Labor Standards Enforcement of a complaint of the failure of a subcontractor on that public works project to pay workers the general prevailing rate of per diem wages."

(iii) Section 1776:

"(a) Each contractor and subcontractor shall keep accurate payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by the contractor of subcontractor in connection with the public work. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following:

(1) The information contained in the payroll record is true and correct.

(2) The employer has complied with the requirements of Sections 1771, 1811, and 1815 for any work performed by that person on the public works project.

(b) The payroll records enumerated under subdivision (a) shall be certified and shall be available for inspection at all reasonable hours at the principal office of the contractor on the following basis:

(1) A certified copy of an employee's payroll record shall be made available for inspection or furnished to the employee or the employee's authorized representative on request.

(2) A certified copy of all payroll records enumerated in subdivision (a) shall be made available for inspection or furnished upon request to a representative of the body awarding the contract and the Division of Labor Standards Enforcement of the Department of Industrial Relations.

(3) A certified copy of all payroll records enumerated in subdivision (a) shall be made available upon request by the public for inspection or for copies thereof. However, a request by the public shall be made through either the body awarding the contract or the Division of Labor Standards Enforcement. If the requested payroll records have not been provided pursuant to paragraph (2), the requesting party shall, prior to being provided the records, reimburse the costs of preparation by the contractor, subcontractors, and the entity through which the request was made. The public may not be given access to the records at the principal office of the contractor.

(c) Unless required to be furnished directly to the Labor Commissioner in accordance with paragraph (3) of subdivision (a) of Section 1771.4, the certified payroll records shall be on forms provided by the Division of Labor Standards Enforcement or shall contain the same information as the forms provided by the division. The payroll records may consist of printouts of payroll data that are maintained as computer records, if the printouts contain

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the same information as the forms provided by the division and the printouts are verified in the manner specified in subdivision (a).

(d) A contractor or subcontractor shall file a certified copy of the records enumerated in subdivision (a) with the entity that requested the records within 10 days after receipt of a written request.

(e) Except as provided in subdivision (f), any copy of records made available for inspection as copies and furnished upon request to the public or any public agency by the awarding body or the Division of Labor Standards Enforcement shall be marked or obliterated to prevent disclosure of an individual's name, address, and social security number. The name and address of the contractor awarded the contract or the subcontractor performing the contract shall not be marked or obliterated. Any copy of records made available for inspection by, or furnished to, a multiemployer Taft-Hartley trust fund (29 U.S.C. Sec. 186(c)(5)) that requests the records for the purposes of allocating contributions to participants shall be marked or obliterated only to prevent disclosure of an individual's full social security number, but shall provide the last four digits of the social security number. Any copy of records made available for inspection by, or furnished to, a joint labor-management committee established pursuant to the federal Labor Management Cooperation Act of 1978 (29 U.S.C. Sec. 175a) shall be marked or obliterated only to prevent disclosure of an individual's social security number.

(f) (1) Notwithstanding any other provision of law, agencies that are included in the Joint Enforcement Strike Force on the Underground Economy established pursuant to Section 329 of the Unemployment Insurance Code and other law enforcement agencies investigating violations of law shall, upon request, be provided nonredacted copies of certified payroll records. Any copies of records or certified payroll made available for inspection and furnished upon request to the public by an agency included in the Joint Enforcement Strike Force on the Underground Economy or to a law enforcement agency investigating a violation of law shall be marked or redacted to prevent disclosure of an individual's name, address, and social security number.

(2) An employer shall not be liable for damages in a civil action for any reasonable act or omission taken in good faith in compliance with this subdivision.

(g) The contractor shall inform the body awarding the contract of the location of the records enumerated under subdivision (a), including the street address, city, and county, and shall, within five working days, provide a notice of a change of location and address.

(h) The contractor or subcontractor has 10 days in which to comply subsequent to receipt of a written notice requesting the records enumerated in subdivision (a). In the event that the contractor or subcontractor fails to comply within the 10-day period, the contractor or subcontractor shall, as a penalty to the state or political subdivision on whose behalf the contract is made or awarded, forfeit one hundred dollars ($100) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Labor Standards Enforcement, these penalties shall be withheld from progress payments then due. A contractor is not subject to a penalty assessment pursuant to this section due to the failure of a subcontractor to comply with this section.

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(i) The body awarding the contract shall cause to be inserted in the contract stipulations to effectuate this section.

(j) The director shall adopt rules consistent with the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) and the Information Practices Act of 1977 (Title 1.8 (commencing with Section 1798) of Part 4 of Division 3 of the Civil Code) governing the release of these records, including the establishment of reasonable fees to be charged for reproducing copies of records required by this section."

(iv) Section 1777.5:

"(a) (1) This chapter does not prevent the employment upon public works of properly registered apprentices who are active participants in an approved apprenticeship program.

(2) For purposes of this chapter, "apprenticeship program" means a program under the jurisdiction of the California Apprenticeship Council established pursuant to Section 3070.

(b) (1) Every apprentice employed upon public works shall be paid the prevailing rate of per diem wages for apprentices in the trade to which he or she is registered and shall be employed only at the work of the craft or trade to which he or she is registered.

(2) Unless otherwise provided by a collective bargaining agreement, when a contractor requests the dispatch of an apprentice pursuant to this section to perform work on a public works project and requires the apprentice to fill out an application or undergo testing, training, an examination, or other preemployment process as a condition of employment, the apprentice shall be paid for the time spent on the required preemployment activity, including travel time to and from the required activity, if any, at the prevailing rate of per diem wages for apprentices in the trade to which he or she is registered. Unless otherwise provided by a collective bargaining agreement, a contractor is not required to compensate an apprentice for the time spent on preemployment activities if the apprentice is required to take a preemployment drug or alcohol test and he or she fails to pass that test.

(c) Only apprentices, as defined in Section 3077, who are in training under apprenticeship standards that have been approved by the Chief of the Division of Apprenticeship Standards and who are parties to written apprentice agreements under Chapter 4 (commencing with Section 3070) of Division 3 are eligible to be employed at the apprentice wage rate on public works. The employment and training of each apprentice shall be in accordance with either of the following:

(1) The apprenticeship standards and apprentice agreements under which he or she is training.

(2) The rules and regulations of the California Apprenticeship Council.

(d) If the contractor to whom the contract is awarded by the state or any political subdivision, in performing any of the work under the contract, employs workers in any apprenticeable craft or trade, the contractor shall employ apprentices in at least the ratio set forth in this section and may apply to any apprenticeship program in the craft or trade that

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can provide apprentices to the site of the public work for a certificate approving the contractor under the apprenticeship standards for the employment and training of apprentices in the area or industry affected. However, the decision of the apprenticeship program to approve or deny a certificate shall be subject to review by the Administrator of Apprenticeship. The apprenticeship program or programs, upon approving the contractor, shall arrange for the dispatch of apprentices to the contractor. A contractor covered by an apprenticeship program's standards shall not be required to submit any additional application in order to include additional public works contracts under that program. "Apprenticeable craft or trade," as used in this section, means a craft or trade determined as an apprenticeable occupation in accordance with rules and regulations prescribed by the California Apprenticeship Council. As used in this section, "contractor" includes any subcontractor under a contractor who performs any public works not excluded by subdivision (o).

(e) Before commencing work on a contract for public works, every contractor shall submit contract award information to an applicable apprenticeship program that can supply apprentices to the site of the public work. The information submitted shall include an estimate of journeyman hours to be performed under the contract, the number of apprentices proposed to be employed, and the approximate dates the apprentices would be employed. A copy of this information shall also be submitted to the awarding body, if requested by the awarding body. Within 60 days after concluding work on the contract, each contractor and subcontractor shall submit to the awarding body, if requested, and to the apprenticeship program a verified statement of the journeyman and apprentice hours performed on the contract. The information under this subdivision shall be public. The apprenticeship programs shall retain this information for 12 months.

(f) The apprenticeship program supplying apprentices to the area of the site of the public work shall ensure equal employment and affirmative action in apprenticeship for women and minorities.

(g) The ratio of work performed by apprentices to journeymen employed in a particular craft or trade on the public work may be no higher than the ratio stipulated in the apprenticeship standards under which the apprenticeship program operates if the contractor agrees to be bound by those standards. However, except as otherwise provided in this section, in no case shall the ratio be less than one hour of apprentice work for every five hours of journeyman work.

(h) This ratio of apprentice work to journeyman work shall apply during any day or portion of a day when any journeyman is employed at the jobsite and shall be computed on the basis of the hours worked during the day by journeymen so employed. Any work performed by a journeyman in excess of eight hours per day or 40 hours per week shall not be used to calculate the ratio. The contractor shall employ apprentices for the number of hours computed as above before the end of the contract or, in the case of a subcontractor, before the end of the subcontract. However, the contractor shall endeavor, to the greatest extent possible, to employ apprentices during the same time period that the journeymen in the same craft or trade are employed at the jobsite. When an hourly apprenticeship ratio is not feasible for a particular craft or trade, the Administrator of Apprenticeship, upon

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application of an apprenticeship program, may order a minimum ratio of not less than one apprentice for each five journeymen in a craft or trade classification.

(i) A contractor covered by this section who has agreed to be covered by an apprenticeship program's standards upon the issuance of the approval certificate, or who has been previously approved for an apprenticeship program in the craft or trade, shall employ the number of apprentices or the ratio of apprentices to journeymen stipulated in the applicable apprenticeship standards, but in no event less than the 1-to-5 ratio required by subdivision (g).

(j) Upon proper showing by a contractor that he or she employs apprentices in a particular craft or trade in the state on all of his or her contracts on an annual average of not less than one hour of apprentice work for every five hours of labor performed by journeymen, the Administrator of Apprenticeship may grant a certificate exempting the contractor from the 1-to-5 hourly ratio, as set forth in this section for that craft or trade.

(k) An apprenticeship program has the discretion to grant to a participating contractor or contractor association a certificate, which shall be subject to the approval of the Administrator of Apprenticeship, exempting the contractor from the 1-to-5 ratio set forth in this section when it finds that any one of the following conditions is met:

(1) Unemployment for the previous three-month period in the area exceeds an average of 15 percent.

(2) The number of apprentices in training in the area exceeds a ratio of 1 to 5.

(3) There is a showing that the apprenticeable craft or trade is replacing at least one-thirtieth of its journeymen annually through apprenticeship training, either on a statewide basis or on a local basis.

(4) Assignment of an apprentice to any work performed under a public works contract would create a condition that would jeopardize his or her life or the life, safety, or property of fellow employees or the public at large, or the specific task to which the apprentice is to be assigned is of a nature that training cannot be provided by a journeyman.

(l) If an exemption is granted pursuant to subdivision (k) to an organization that represents contractors in a specific trade from the 1-to-5 ratio on a local or statewide basis, the member contractors shall not be required to submit individual applications for approval to local joint apprenticeship committees, if they are already covered by the local apprenticeship standards.

(m) (1) A contractor to whom a contract is awarded, who, in performing any of the work under the contract, employs journeymen or apprentices in any apprenticeable craft or trade shall contribute to the California Apprenticeship Council the same amount that the director determines is the prevailing amount of apprenticeship training contributions in the area of the public works site. A contractor may take as a credit for payments to the council any amounts paid by the contractor to an approved apprenticeship program that can supply apprentices to the site of the public works project. The contractor may add the amount of the contributions in computing his or her bid for the contract.

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(2) (A) At the conclusion of the 2002–03 fiscal year and each fiscal year thereafter, the California Apprenticeship Council shall distribute training contributions received by the council under this subdivision, less the expenses of the Department of Industrial Relations for administering this subdivision, by making grants to approved apprenticeship programs for the purpose of training apprentices. The grant funds shall be distributed as follows:

(i) If there is an approved multiemployer apprenticeship program serving the same craft or trade and geographic area for which the training contributions were made to the council, a grant to that program shall be made.

(ii) If there are two or more approved multiemployer apprenticeship programs serving the same craft or trade and county for which the training contributions were made to the council, the grant shall be divided among those programs based on the number of apprentices from that county registered in each program.

(iii) All training contributions not distributed under clauses (i) and (ii) shall be used to defray the future expenses of the Department of Industrial Relations for the administration and enforcement of apprenticeship and preapprenticeship standards and requirements under this code.

(B) An apprenticeship program shall only be eligible to receive grant funds pursuant to this subdivision if the apprenticeship program agrees, prior to the receipt of any grant funds, to keep adequate records that document the expenditure of grant funds and to make all records available to the Department of Industrial Relations so that the Department of Industrial Relations is able to verify that grant funds were used solely for training apprentices. For purposes of this subparagraph, adequate records include, but are not limited to, invoices, receipts, and canceled checks that account for the expenditure of grant funds. This subparagraph shall not be deemed to require an apprenticeship program to provide the Department of Industrial Relations with more documentation than is necessary to verify the appropriate expenditure of grant funds made pursuant to this subdivision.

(C) The Department of Industrial Relations shall verify that grants made pursuant to this subdivision are used solely to fund training apprentices. If an apprenticeship program is unable to demonstrate how grant funds are expended or if an apprenticeship program is found to be using grant funds for purposes other than training apprentices, then the apprenticeship program shall not be eligible to receive any future grant pursuant to this subdivision and the Department of Industrial Relations may initiate the process to rescind the registration of the apprenticeship program.

(3) All training contributions received pursuant to this subdivision shall be deposited in the Apprenticeship Training Contribution Fund, which is hereby created in the State Treasury. Upon appropriation by the Legislature, all moneys in the Apprenticeship Training Contribution Fund shall be used for the purpose of carrying out this subdivision and to pay the expenses of the Department of Industrial Relations.

(n) The body awarding the contract shall cause to be inserted in the contract stipulations to effectuate this section. The stipulations shall fix the responsibility of compliance with this section for all apprenticeable occupations with the prime contractor.

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(o) This section does not apply to contracts of general contractors or to contracts of specialty contractors not bidding for work through a general or prime contractor when the contracts of general contractors or those specialty contractors involve less than thirty thousand dollars ($30,000).

(p) An awarding body that implements an approved labor compliance program in accordance with subdivision (b) of Section 1771.5 may, with the approval of the director, assist in the enforcement of this section under the terms and conditions prescribed by the director."

(v) Section 1813:

"The contractor or subcontractor shall, as a penalty to the state or political subdivision on whose behalf the contract is made or awarded, forfeit twenty-five dollars ($25) for each worker employed in the execution of the contract by the respective contractor or subcontractor for each calendar day during which the worker is required or permitted to work more than 8 hours in any one calendar day and 40 hours in any one calendar week in violation of the provisions of this article. In awarding any contract for public work, the awarding body shall cause to be inserted in the contract a stipulation to this effect. The awarding body shall take cognizance of all violations of this article committed in the course of the execution of the contract, and shall report them to the Division of Labor Standards Enforcement."

(vi) Section 1815:

"Notwithstanding the provisions of Sections 1810 to 1814, inclusive, of this code, and notwithstanding any stipulation inserted in any contract pursuant to the requirements of said sections, work performed by employees of contractors in excess of 8 hours per day, and 40 hours during any one week, shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than 1 ½ times the basic rate of pay."

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SPONSOR'S CERTIFICATION NO. 2

RELATED PARTY & RELATED PARTY TRANSACTION DISCLOSURE

I, {{ las_name_pfa }}, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. The Sponsor certifies that it has disclosed to AHP and/or the State the composition of the Sponsor including any entity, member, manager, partner, or person that directly or indirectly owns or controls, is owned or controlled by, or is under common ownership or common control with the Sponsor ("**Related Party**" or "**Related Parties**").

4. The Sponsor certifies that it shall disclose to AHP and/or the State, promptly, any change in ownership or control of the Sponsor or any merger or acquisition that changes the control of the Sponsor. For purposes of this Agreement, "ownership" shall mean any entity, member, manager, partner, or person that has an ownership interest of greater than ten percent (10%) in the Sponsor, and "control" shall mean possession of the authority to direct or cause the direction of the affairs or management of the Sponsor.

5. The Sponsor certifies that it has disclosed to AHP and/or the State all existing or new, actual or potential transactions, agreements, or settlements with any Related Party in connection with the Project ("**Related Party Transaction**") at the time of application and execution of this Agreement, and shall promptly disclose to AHP and/or the State any new, actual, or potential Related Party Transaction created thereafter.

6. The Sponsor certifies that it shall disclose to AHP and/or the State: (1) the nature of the relationship, (2) the nature of the potential or actual transaction, agreement, or settlement, (3) the dollar amounts of any such transaction, agreement, or settlement, (4) the dollar amounts due to or from any Related Party, and (5) documents and any additional information, as may be required by AHP and/or the State in their sole discretion.

SIGNATURE ON THE FOLLOWING PAGE

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I certify that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 2, Related Party & Related Party Transaction Disclosure, as a condition of receiving the Program Funds.

_____
Authorized Signature

{{ las_name_pfa }}
Typed Name of Signatory

{{ las_title_pfa }}
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 3

EXECUTION OF PROGRAM FUNDING AGREEMENT

I, {{ las_name_pfa }}, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California (the "**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. The Sponsor certifies that it has executed a contract with AHP entitled "**Program Funding Agreement**" and that it has provided a true and correct copy of such executed AHP-Sponsor Program Funding Agreement, including all attachments, to AHP.

I certify that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 3, Execution of Program Funding Agreement, as a condition of receiving the Program Funds.

_____
Authorized Signature

{{ las_name_pfa }}
Typed Name of Signatory

{{ las_title_pfa }}
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 4

MATCH FUNDS, PROPERTY EQUITY, OR IN-KIND MATCH

I, {{ las_name_pfa }}, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing the Program Funds.

3. The Sponsor certifies that, if, and as required by the terms of the Program, the Sponsor is required to provide a match for the Program Funds, and the Sponsor's match is in the form of cash, the Sponsor has provided to AHP, as required by the terms of the Program Funding Agreement, evidence in the form of account statements or other auditable financial record to the amount of {{ match_amt_curated_written }} ({{ match_amt_curated }}) ("**Match Funds**").

4. The Sponsor certifies that, if, and as required by the terms of the Program, the Sponsor is required to provide a match for the Program Funds, and the Sponsor's match is in the form of equity in real property upon which the Project is to be constructed, located at {{ proposed_address }}, {{ proj_city }}, {{ proj_state }} {{ proj_zip }} (the "**Project Property**"), the Sponsor has provided to AHP (i) the assessed value of the Project Property on the property tax assessment rolls or a written appraisal report setting forth an opinion of fair market value prepared by a certified general appraiser licensed in the State of California, and (ii) all current loan statements reflecting any outstanding loan balances secured by the Project Property, or a statement of outstanding bond debt.

5. The Sponsor certifies that, if, and as required by the terms of the Program, the Sponsor is required to provide an in-kind match for the Program Funds, and the Sponsor's match is in the form of the amount of any reasonable, actual, and documented, as determined by DHCS in their sole discretion, Project specific fees and expenses incurred by the Sponsor directly for the improvement of the Project Property no more than one (1) year prior to [_____], 2026, the date of the Notice of Conditional Award ("**Sunk Costs**"), such expenditures incurred were in the amount of not less than {{ sunk_costs_written }}({{ sunk_costs }}), as evidenced by Project specific documents, including, but not limited to, invoices with attached proof of payment for work completed, materials purchased, professional, design-build, or other services rendered and paid for by the Sponsor in connection with the Project.

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6. The Sponsor further certifies that its match for the Program Funds, as required by the terms of the Program, is in the form of [cash, equity in real property, or Sunk Costs] described as follows: [Detailed description].

7. At AHP's request, the Sponsor agrees to submit to AHP, promptly, documentation that verifies the Sponsor's statements contained in Sections 3, 4, 5, or 6 of this Certification, prior to disbursement of any Program Funds, including, but not limited to, bank account statements or other auditable financial record and title documents.

I certify under penalty of perjury that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 4, Match Funds, Property Equity, or In-Kind Match, as a condition of receiving the Program Funds.

_____
Authorized Signature

{{ las_name_pfa }}
Typed Name of Signatory

{{ las_title_pfa }}
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 5

DECLARATION OF RESTRICTIONS

I, _____, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. The Sponsor certifies that the Project is subject to a Regulatory Agreement and Declaration of Restrictions, substantially in the form attached to the Program Funding Agreement as **Attachment H** (the "**Declaration of Restrictions**"), which has been recorded in the official records in the county in which the Project is located, and which, in addition to other matters, restricts the use of the Project. The Sponsor further certifies that it shall provide to AHP, concurrently with this Certification, a copy of such recorded Declaration of Restrictions, which shall evidence recordation in the official records in the county in which the Project is located.

I certify under penalty of perjury that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 5, Declaration of Restrictions, as a condition of receiving the Program Funds.

_____
Authorized Signature

_____
Typed Name of Signatory

_____
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 6

LEGAL REVIEW OF CA WELFARE AND INSTITUTIONS CODE §5960.31

I, _____, as an authorized representative of {{ **legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. The Sponsor certifies that it has had the opportunity to seek advice from legal counsel as to its rights and responsibilities regarding California Welfare and Institutions Code section 5960.31, set forth below:

> **(a) Notwithstanding any other law, projects funded pursuant to paragraph (3) or (4) of subdivision (b) of Section 5965.04 shall be a use by right and shall be subject to the streamlined, ministerial review process and filing requirement, pursuant to subdivisions (b) and (d) of Section 50675.1.5 of the Health and Safety Code, and not subject to a conditional use permit, discretionary permit, or to any other discretionary reviews or approvals, if it meets the criteria of paragraph (1) or (2) and complies with subdivisions (b) and (c).**
>
> **(1) The project is a behavioral health treatment and residential setting, including, but not limited to, children's residential crisis programs, peer respite, children's and adult substance use disorder residential programs, recovery housing, short-term residential therapeutic program, and social rehabilitation program, and shall be located in a zone where residential, office, retail, or parking are a principally permitted use.**
>
> **(2) (A) The project is a real estate asset, as described in Section 5960.05, except for those described in paragraph (1), or in subparagraph (A) of paragraph (1) of subdivision (a) of Section 5831, that is funded pursuant to Section 5967.01, and shall be located in a zone where office, retail, or parking are a principally permitted use.**
>
> **(B) This paragraph shall not be construed to limit the discretion of local jurisdictions to permit real estate assets in a zone not expressly provided in this paragraph.**

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(b) Projects, as applicable, pursuant to this section shall comply with the core components of Housing First, as defined under subdivision (b) of Section 8255, and may include recovery housing, as defined by the United States Department of Housing and Urban Development.

(c) Projects pursuant to this section shall meet the labor standards contained in Sections 65912.130 and 65912.131 of the Government Code.

(d) For purposes of this section, "use by right" means a development project that satisfies both of the following conditions:

(1) The development project does not require a conditional use permit, planned unit development permit, or other discretionary local government review.

(2) The development project is not a "project" for purposes of Division 13 (commencing with Section 21000) of the Public Resources Code.

I certify under penalty of perjury that the above information is true and correct and that the Sponsor has read and understands the terms of this certification and shall comply with all requirements set forth above, in Sponsor's Certification No. 6, Legal Review of CA Welfare and Institutions Code §5960.31, as a condition of receiving the Program Funds.

_____
Authorized Signature

_____
Typed Name of Signatory

_____
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 7

PLANNING AGENCY REVIEW

I, _____, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. The Sponsor certifies that, if constructing a new facility or expanding an existing facility, it shall provide to AHP contemporaneously with this Certification a one-to-two-page narrative report summarizing the results of any preliminary planning meeting with the planning department, or equivalent, in the jurisdiction where the Project is located, including any written documentation and comments received.

I certify under penalty of perjury that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 7, Planning Agency Review, as a condition of receiving the Program Funds.

_____
Authorized Signature

_____
Typed Name of Signatory

_____
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 8

DUE DILIGENCE COMPLETED

I, _____, as an authorized representative of {{ **legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. In the event that the Project involves the acquisition of real property with Program Funds, the Sponsor certifies that it has obtained a Certified Appraisal Report, setting forth an opinion of fair market value of the real property upon which the Project is to be constructed or operated, prepared by a certified appraiser licensed in the State of California, in a form acceptable to AHP; and the Sponsor has provided copies of the Certified Appraisal Report to AHP.

4. The Sponsor certifies that it has obtained a Phase I environmental site assessment of the Project in conformance with ASTM Standard Practice E-1527 and, if necessary, a Phase II environmental site assessment and that the Sponsor has or shall comply with all recommendations in those assessments as part of the Project. The Sponsor shall provide AHP with copies of all environmental reports and, to the extent applicable, evidence of completion of any recommended environmental remediation.

5. In the event that the Project involves rehabilitation or renovation of an existing structure, the Sponsor certifies that it has obtained an asbestos assessment and lead-based paint report for the Project and has complied or shall comply with all abatement requirements identified therein. The Sponsor certifies that it has provided AHP with copies of all asbestos and lead-based paint reports and, to the extent applicable, evidence of completion of any recommended asbestos or lead-based paint abatement.

6. The Sponsor certifies that it has complied with all applicable federal, state, and local relocation requirements related to the Project, including under the California Relocation Assistance Law (California Government Code section 7260 et seq.); and that the Sponsor has complied with all applicable state laws and corresponding regulations for the safe transfer and relocation of residents in residential care facilities licensed by the State and agrees to obtain a State-approved relocation plan for each resident in care.

7. The Sponsor's above certifications are solely for the purpose of confirming that the Sponsor has properly discharged their obligations under the Program Funding Agreement, and AHP's

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receipt of these certifications should not be relied upon by the Sponsor or any third parties as a warranty or representation by AHP or DHCS as to the quality of the design or construction of the Project.

8. The Sponsor agrees that it is solely responsible and liable for compliance with requirements and recommendations pertaining to asbestos, lead, environmental assessment, local planning, and relocation requirements for the Project and shall indemnify AHP and the State consistent with the terms of the Sponsor's Agreement with AHP and the State.

I certify under penalty of perjury that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 8, Due Diligence Completed, as a condition of receiving the Program Funds.

_____
Authorized Signature

_____
Typed Name of Signatory

_____
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 9

DESIGN DEVELOPMENT DRAWINGS 100% COMPLETE
(to be completed by the Sponsor's Architect)

I, _____, as an authorized representative of _____, (the "**Architect**"), on behalf of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Architect, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with the Sponsor's application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. I am the lead architect on behalf of the Sponsor for the Project, duly licensed to practice architecture in the State of California pursuant to Chapter 3 of Division 3 of the Business and Professions Code, and have been hired by the Sponsor to provide architectural services for the Project.

4. I hereby certify that design development drawings, including architectural and mechanical, electrical, and plumbing (MEP) drawings for the Project, are one hundred percent (100%) complete.

5. I hereby certify that the Sponsor is ready to commence preparation of construction drawings for the purpose of submittal to the building department, or equivalent, in the jurisdiction where the Project is located.

I certify under penalty of perjury that the above information is true and correct in Sponsor's Certification No. 9, Design Development Drawings 100% Complete, as a condition of the Sponsor receiving the Program Funds.

_____
Authorized Signature
(Licensed Architect on plan set)

_____
Typed Name of Signatory

_____
Title of Signatory *(Licensed Architect on plan set)*

_____
Date

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SPONSOR'S AND ARCHITECT'S CERTIFICATION NO. 10

CONSTRUCTION DRAWINGS FOR FIRST SUBMITTAL TO BUILDING DEPARTMENT

(to be completed by the Sponsor and the Sponsor's Architect)

I, _____, as an authorized representative of {{ **legal_entity_name** }}, {{ **typ_of_legal_entity** }} (the "**Sponsor**"), and I, _____, as an authorized representative of _____ (the "**Architect**"), each, hereby certify that:

1. The Sponsor and Architect each certify that they possess the legal authority to submit this certification on behalf of the Sponsor and the Architect, respectively, and the information and statements set forth below are, to the best of their knowledge and belief, true and correct.

2. The Sponsor and Architect each certify that they are providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. The Sponsor certifies that it has obtained updated estimates of all applicable fees and charges due to the local jurisdiction with permitting authority over the Project, including, but not limited to, fees for plan checks, building permits, schools, special assessments, impact fees, and fire permits, among others, as may be applicable to the Project, depending on the jurisdiction, and the Sponsor has sent copies of all such fee estimates to AHP.

4. The Sponsor and Architect each certify that they have construction drawings for the Project that are ready for first submittal to the building department, or its equivalent, in the jurisdiction where the Project is located. The Sponsor shall provide AHP with copies of all such drawings upon request.

5. The Sponsor certifies that it is prepared to submit complete applications and pay required fees to the applicable government authorities for building permits and approvals necessary to construct the Project.

6. The Sponsor and Architect shall attest by their signatures below that the construction drawings for the Project are ready for first submittal to the building department, or its equivalent, in the jurisdiction where the Project is located, within thirty (30) days of the date of execution of this Certification No. 10.

SIGNATURES ON THE FOLLOWING PAGE

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I certify under penalty of perjury that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's and Architect's Certification No. 10, Construction Drawings for First Submittal to Building Department, as a condition of receiving the Program Funds.

_____
Authorized Signature

_____
Typed Name of Signatory

_____
Title of Signatory

_____
Date

_____
Authorized Signature
(Licensed Architect on plan set)

_____
Typed Name of Signatory

_____
Title of Signatory
(Licensed Architect on plan set)

_____
Date

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SPONSOR'S CERTIFICATION NO. 11

CONSTRUCTION CONTRACT WITH CONSTRUCTION CONTRACT ADDENDUM

I, _____, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. The Sponsor certifies that it has negotiated and attached to this Certification a construction contract for the Project as mutually agreed upon by the Sponsor and the general contractor ("**Construction Contract**") which includes a total cost of construction that does not exceed the amount set forth in the application for Program Funds for construction costs of the Project, unless otherwise approved by AHP or the State, in their sole discretion.

4. The Sponsor further certifies that the Construction Contract includes an attachment thereto, in the form attached to the Program Funding Agreement as **Attachment I** (the "**Construction Contract Addendum**"), which shall contain certain required additional details, conditions, or terms to be agreed upon by and between the Sponsor and the general contractor.

5. Upon full execution of the Construction Contract or any amendment thereof, the Sponsor promptly shall provide AHP a copy of the fully executed Construction Contract, with the Construction Contract Addendum attached thereto and incorporated by reference.

6. The Sponsor certifies that the Construction Contract Addendum, as incorporated into the Construction Contract, shall not be amended or modified in any manner, at any time, without prior approval by AHP or the State, in their sole discretion.

7. The Sponsor certifies that the final Construction Contract for the full course of construction of the Project is based on the fully permitted set of construction drawings, which constitute the full scope of the construction for the Project.

8. The Sponsor certifies that the General Contractor is registered with the California Department of Industrial Relations ("**DIR**") as required by California Labor Code section 1725.5. The Sponsor further certifies that the Construction Contract and any subcontracts entered into by the general contractor shall require the general contractor and all subcontractors to comply with California

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Labor Code section 1720 et seq. for all work performed for the Project, including, but not limited to, the payment of prevailing wages for all work performed on the Project.

I certify under penalty of perjury that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 11, Construction Contract with Construction Contract Addendum, as a condition of receiving the Program Funds.

_____
Authorized Signature

_____
Typed Name of Signatory

_____
Title of Signatory

_____
Date

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GENERAL CONTRACTOR'S CERTIFICATION NO. 12

PREVAILING WAGE COMPLIANCE
(to be completed by the **Sponsor's General Contractor)**

I, _____, as an authorized representative of **[insert name of General Contractor]** ("**General Contractor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the General Contractor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") submitted by **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), and the Sponsor are relying on this information in awarding and disbursing Program Funds to the Sponsor.

3. General Contractor certifies that all construction work performed on the Project shall comply with California Labor Code section 1720 et seq. and require the payment of prevailing wages.

4. General Contractor certifies that the Sponsor has provided General Contractor with copies of California Labor Code sections 1771, 1775, 1776, 1777.5, 1813, and 1815; that the construction contract includes those California Labor Code provisions; and that such California Labor Code provisions shall be included in all subcontracts entered into by General Contractor for the Project.

5. General Contractor agrees to periodically review its subcontractors' payroll records to monitor compliance with California prevailing wage requirements and to take diligent action if General Contractor discovers any failure by a subcontractor to pay prevailing wages and to otherwise comply with the requirements of the California Labor Code.

6. General Contractor shall not release final payment to any subcontractors for work performed on the Project until General Contractor has obtained an affidavit signed under penalty of perjury from the subcontractor that the subcontractor has paid the specified general prevailing wage for all work performed on the Project as well as any other amounts due under the California Labor Code.

7. General Contractor agrees to keep accurate payroll records in compliance with California Labor Code section 1776 and shall require all of its subcontractors to keep such records and to make such records available to the California Department of Industrial Relations ("**DIR**") in accordance with California Labor Code section 1771.4(a)(3).

8. General Contractor agrees to comply with any and all other requirements of the California Labor Code related to prevailing wages, all California wage and hours laws, and any applicable federal labor and wage and hours requirements for the duration of the Project.

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9. General Contractor acknowledges that neither the State nor AHP shall be liable for any penalties or damages resulting from General Contractor's failure to comply with all requirements related to public works projects applicable to the Project.

I certify that the above information is true and correct and that General Contractor shall comply with all requirements set forth above, in General Contractor's Certification No. 12, Prevailing Wage Compliance, as a condition of the Sponsor receiving the Program Funds.

_____
Authorized Signature
(General Contractor)

_____
Typed Name of Signatory
(General Contractor)

_____
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 13

UTILITY SERVICE COMMITMENTS, BUILDING PERMIT RECEIPT AND NOTICE OF EXEMPTION FILED

I, _____, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. The Sponsor certifies that it has obtained and provided to AHP copies of any written utility service commitments (commonly referred to as "will serve letters"), as may be required by the local jurisdiction with permitting authority over the Project.

4. The Sponsor certifies that it has obtained and provided to AHP copies of the building permits required to commence construction on the Project issued by the local jurisdiction with permitting authority over the Project. The building permits approve a total building area for the Project of **[insert number in words (Number) and delete this note]** square feet.

5. The Sponsor certifies that, upon receipt of the building permits from the jurisdiction where the Project is located, a Notice of Exemption for the Project has been filed with the county clerk of each county in which the Project is located pursuant to the California Environmental Quality Act ("**CEQA**") Guidelines section 15062.

6. The Sponsor further certifies that it has provided to DHCS a copy of the Notice of Exemption for the Project filed with the county clerk of each county in which the Project is located pursuant to the CEQA Guidelines section 15062.

SIGNATURE ON THE FOLLOWING PAGE

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I certify under penalty of perjury that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 13, Building Permit Receipt and Notice of Exemption Filed, as a condition of receiving the Program Funds.

_____
Authorized Signature

_____
Typed Name of Signatory

_____
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 14

REQUIRED INSURANCE AND NOTICE TO PROCEED

I, _____, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. The Sponsor certifies that it has acquired all general liability and any applicable builder's risk and property insurance pursuant to the requirements of Article 11 of the Program Funding Agreement.

4. The Sponsor certifies that it has provided to AHP copies of its certificates of insurance in accordance with the requirements of Article 11 of the Program Funding Agreement.

5. The Sponsor certifies that it has provided to AHP an updated budget and schedule for the Project prior to the Sponsor's issuance of a notice to proceed to its general contractor.

6. The Sponsor certifies that on or about _____, 202__, **[insert date and delete this note]** a notice to proceed was issued to its general contractor to commence construction on the Project.

SIGNATURE ON THE FOLLOWING PAGE

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I certify that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 14, Required Insurance and Notice to Proceed, as a condition of receiving the Program Funds.

_____
Authorized Signature

_____
Typed Name of Signatory

_____
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 15

PROJECT CONSTRUCTION IS 50% COMPLETE

I, _____, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. The Sponsor certifies that on or about _____, **[insert date and delete this note]** Project construction is fifty percent (50%) complete; and further certifies that it has provided to AHP an updated budget and schedule for the completion of the Project.

4. The Sponsor further certifies that it has the additional funds or funding necessary to complete the Project in the event that the remaining Program Funds are insufficient to satisfy the remaining fifty percent (50%) of construction costs.

I certify that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 15, Project Construction Is 50% Complete, as a condition of receiving the Program Funds.

_____
Authorized Signature

_____
Typed Name of Signatory

_____
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 16

RECEIPT OF CERTIFICATE OF OCCUPANCY

I, _____, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. The Sponsor certifies that the Project has received its Certificate of Occupancy or equivalent from the jurisdiction where the Project is located.

4. The Sponsor further certifies that it has provided to AHP a copy of the Certificate of Occupancy.

I certify that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 16, Receipt of Certificate of Occupancy, as a condition of receiving the Program Funds.

_____
Authorized Signature

_____
Typed Name of Signatory

_____
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 17

NOTICE OF COMPLETION AND RECEIPT OF CONDITIONAL/UNCONDITIONAL FINAL RELEASES OF LIENS

I, _____, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. The Sponsor certifies that, pursuant to California Civil Code section 8182 et seq., it has recorded with the county clerk in the jurisdiction where the Property is located a Notice of Completion; and that the Sponsor has provided to AHP a copy of the Notice of Completion.

4. The Sponsor certifies that it has obtained from its general contractor conditional/unconditional final releases of all liens for all labor or services provided, or equipment and material delivered, to or on behalf of the Sponsor, for construction or rehabilitation at the Project.

5. The Sponsor further certifies that it has provided to AHP copies of all conditional/unconditional final releases of all liens, which the Sponsor received from its general contractor, and that the Sponsor shall provide to AHP any additional release of lien documentation or information, as may be required by AHP and/or the State in their sole discretion.

SIGNATURE ON THE FOLLOWING PAGE

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I certify that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 17, Notice of Completion and Receipt of Conditional/Unconditional Final Releases of Liens, as a condition of receiving the Program Funds.

_____
Authorized Signature

_____
Typed Name of Signatory

_____
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 18

RECEIPT OF BUSINESS LICENSE AND OPERATIONAL

I, _____, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. The Sponsor certifies that the Sponsor and the Project, each, as may be required, individually and collectively, has received, renewed, or maintained all licenses, designations, and certifications, including a business license, as may be required, by the jurisdiction where the Project is located and by the State, to operate the Project pursuant to the requirements of the Program Funding Agreement.

I certify that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 18, Receipt of Business License and Operational, as a condition of receiving the Program Funds.

_____
Authorized Signature

_____
Typed Name of Signatory

_____
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 19

EXECUTION OF A FACILITY ACCESS AGREEMENT WITH STATE OF CALIFORNIA, DEPARTMENT OF HEALTH CARE SERVICES

I, {{ las_name_pfa }}, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. The Sponsor certifies that it has executed a contract with the State Department of Health Care Services ("**DHCS**") entitled Facility Access Agreement ("**Facility Access Agreement**").

4. The Sponsor certifies that it has provided a true and correct copy of the executed Facility Access Agreement, including all attachments, to AHP.

I certify that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Facility Certification No. 19, Execution of a Facility Access Agreement with State of California, Department of Health Care Services, as a condition of receiving the Program Funds.

_____
Authorized Signature

{{ las_name_pfa }}
Typed Name of Signatory

{{ las_title_pfa }}
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 20

PROJECT CLOSE-OUT, RETENTION FUNDS, EXCESS FUNDS, AND CONTINUED COMPLIANCE

I, _____, as an authorized representative of **[insert Sponsor name]** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program ("**BHCIP**") for the _____ ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**") are relying on this information in connection with the management of BHCIP and Program Funds.

3. The Sponsor certifies that it received an award of Program Funds pursuant to that certain Notice of Conditional Award Letter issued by DHCS to the Sponsor, attached as **Attachment K** to that certain Program Funding Agreement dated _____ (the "**Program Funding Agreement**") by and between AHP and the Sponsor.

4. The Sponsor certifies that AHP has released and the Sponsor has received Retention Funds pursuant to Section 4.3.7.1 of the Program Funding Agreement.

5. The Sponsor certifies that the Project is complete, operational, and serving patients/persons in compliance with all applicable state, federal, and local health and safety laws and ordinances.

6. The Sponsor certifies that it will not request, declines to use, and releases a portion of its awarded Program Funds in the amount of _____ Dollars ($_____) ("**Excess Funds**"). The Sponsor further certifies that the Excess Funds are not required for Project completion or reimbursement for its Project expenses.

7. The Sponsor acknowledges that pursuant to Article 2 of the Program Funding Agreement, the terms of the Program Funding Agreement are in full force and effect.

8. The Sponsor further certifies that it has satisfied all applicable requirements of the Program Funding Agreement, is not in default, and shall continue to comply with the requirements of the Program Funding Agreement, the Facility Access Agreement, and the Declaration of Restrictions, each as defined in the Program Funding Agreement.

I certify under penalty of perjury that the above information is true and correct and that Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 20, Project Close-Out, Retention Funds, Excess Funds, and Continued Compliance.

SIGNATURES ON THE FOLLOWING PAGE

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_____
Authorized Signature

_____
Typed Name of Signatory

_____
Title of Signatory

_____
Date

ACKNOWLEDGED:

DHCS:

DEPARTMENT OF HEALTH CARE SERVICES,
a public agency of the State of California

By: _____
Laurice Artap, Section Chief
Community Services Division / Behavioral Health Continuum
Infrastructure Program Section

Date: _____

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ATTACHMENT G

PERFORMANCE MILESTONES

BOND BHCIP Round 2: Unmet Needs

ATTACHMENT G - PERFORMANCE MILESTONES

These Performance Milestones are the basis for your Project's Payment Schedule so that in all events, all Program Funds must be obligated and expended by June 30, 2031.

ESTIMATED MILESTONES

Preconstruction/Acquisition, Construction, Move-in

PHASE	MILESTONE	Milestone Certification or Documents	COMPLETION DATE: Not To Exceed
E.1 Minimum Requirements	BUDGET PREVAILING WAGE COMPLIANCE	Certification # 1	Project specific, N/A
	RELATED PARTY AND RELATED PARTY TRANSACTION DISCLOSURE	Certification # 2	
	EXECUTION OF PROGRAM FUNDING AGREEMENT	Certification # 3	
	RECORDED DECLARATION OF RESTRICTIONS	Certification # 5	
	LEGAL REVIEW OF CA WELFARE AND INSTITUTIONS CODE §5960.31	Certification # 6	
	EXECUTION OF A FACILITY ACCESS AGREEMENT WITH STATE OF CALIFORNIA, DEPARTMENT OF HEALTH CARE SERVICES	Certification #19	
E.2 Match Minimum Requirements	MATCH FUNDS, PROPERTY EQUITY, OR IN-KIND MATCH	Certification # 4	
E.3 Acquisition	CLOSE OF ESCROW/RECORDED DECLARATION OF RESTRICTIONS & PERFORMANCE DEED OF TRUST	Recorded Deed	
	PLANNING AGENCY REVIEW	Certification # 7	
	DUE DILIGENCE COMPLETED FOR ACQUISTION	Certification # 8	
E.4 Preconstruction (Planning and Permitting)	PLANNING AGENCY REVIEW, **if not previously provided**	Certification # 7	
	DUE DILIGENCE COMPLETED, **if not previously provided**	Certification # 8	
	DESIGN DEVELOPMENT DRAWINGS 100% COMPLETE	Certification # 9	
	CONSTRUCTION DRAWINGS FOR FIRST SUBMITTAL TO BUILDING	Certification # 10	
E.5 Start of Construction (Notice to Proceed and Executed Construction Contract)	CONSTRUCTION CONTRACT WITH CONSTRUCTION CONTRACT RI	Certification # 11	
	PREVAILING WAGE COMPLIANCE (GC)	Certification # 12	
	UTILITY SERVICE COMMITMENTS, BUILDING PERMIT RECEIPT, AND NOTICE OF EXEMPTION FILED	Certification # 13	
	REQUIRED INSURANCE AND NOTICE TO PROCEED	Certification # 14	6/30/2031
E.6 Project Construction 50% Complete	PROJECT CONSTRUCTION IS 50% COMPLETE	Certification # 15	
E.7 Construction Complete, Licensing, and Operation	RECEIPT OF CERTIFICATE OF OCCUPANCY	Certification # 16	
	NOTICE OF COMPLETION AND RECEIPT OF UNCONDITIONAL FINAL RELEASES OF LIENS	Certification # 17	
	RECEIPT OF BUSINESS LICENSE AND OPERATIONAL	Certification # 18	Project specific, N/A
	PROJECT CLOSE-OUT, RETENTION FUNDS, EXCESS FUNDS, AND CONTINUED COMPLIANCE	Certification # 20	6/30/2031
	ANTICIPATED EXPIRATION DATE OF THE AGREEMENT & TRANSFER TO STATE OVERSIGHT		

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RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Advocates for Human Potential, Inc.
490-B Boston Post Road
Sudbury, MA 01776-3365

Attention: Legal Department

NO FEE FOR RECORDING PURSUANT TO
GOVERNMENT CODE SECTION 27383

SPACE ABOVE THIS LINE FOR RECORDER'S USE

ATTACHMENT H

**REGULATORY AGREEMENT AND
DECLARATION OF RESTRICTIONS**

This Regulatory Agreement and Declaration of Restrictions (the "**Declaration**"), dated _____ for reference purposes, is by and between **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Owner**") and the State of California (the "**State**"), represented by the **DEPARTMENT OF HEALTH CARE SERVICES**, a public agency of the State of California ("**DHCS**").

RECITALS

A. DHCS oversees the Behavioral Health Continuum Infrastructure Program ("**BHCIP**" or "**Program**"), which was established by California Assembly Bill No. 133 (Chapter 143, Statutes of 2021), and which is governed by California Welfare and Institutions Code sections 5960-5960.4, as amended by the State Behavioral Health Infrastructure Bond Act of 2024 (section 4, Chapter 4 of California Assembly Bill 531 ("**AB 531**")) which provided, in part, for the: (a) addition of section 5965.04 to the California Welfare and Institutions Code allocating additional funding to the Program; and (b) repealed section 5960.45 from the California Welfare and Institutions Code.

B. Under BHCIP, DHCS awards State Behavioral Health Infrastructure Bond Act of 2024 funds ("**Bond BHCIP Funds**") to qualified entities, through competitive grants, to construct, acquire, and rehabilitate real estate assets to build new capacity or expand existing capacity for facilities that will operate for a minimum of thirty (30) years to provide short-term crisis stabilization, acute and subacute care, crisis residential, community-based mental health residential, substance use disorder residential, peer respite, community and outpatient behavioral health services, and other clinically enriched longer term treatment and rehabilitation options for persons with behavioral health disorders in the least restrictive and least costly settings;

C. On May 30, 2025, DHCS issued a Request for Applications ("**RFA**") for Bond BHCIP Funds and selected Owner's Project (as defined below) as a recipient of Bond BHCIP Funds. Advocates for Human Potential, Inc., a Massachusetts corporation ("**AHP**"), acting as the initial program administrator for the initial five (5) year building phase of BHCIP, entered into a Program Funding Agreement with an Effective Date of _____ (the "**Program**

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Funding Agreement"), with Owner for the distribution of Bond BHCIP Funds in an amount not to exceed {{ amt_awarded_written }} ({{ grant_amt_requested_curated }}) (the "**Program Funds**") over the above-mentioned five (5) year building phase for Owner to acquire, expand, or construct certain improvements more particularly described in the RFA ("**Owner's Project**") on that certain real property commonly known as {{ proposed_address }}, located in the City of {{ proj_city }} ("**City**"), County of {{ county }} ("**County**"), State of California, and the improvements thereon (the "**Property**"), as more particularly described and shown on **Exhibit A**, attached hereto and incorporated herein by this reference;

D. As an award recipient, in consideration for the Program Funds, and in order to comply with the policies, programs, and applicable legislation, including the RFA, the Program Funding Agreement, the Facility Access Agreement between DHCS and the Owner, and BHCIP, the Property and the owner thereof are subject to certain requirements and restrictions, including, without limitation, the obligation to ensure that the Property shall be used for {{ fac_category_type_residential_outpatient | lower }} (the "**Permitted Use**") for the Restriction Period (defined below), subject to change or modification to another use set forth in **Exhibit B**, attached hereto, and incorporated herein by this reference, with DHCS approval, which must accept and provide services to Medi-Cal beneficiaries as patients;

E. The Property shall be owned, held, used, maintained, and transferred pursuant to the covenants, conditions, restrictions, and limitations as further described herein; and

F. Owner and DHCS have agreed to enter into this Declaration to memorialize some of the aforementioned requirements and restrictions in the public record that will survive the expiration of the Program Funding Agreement to ensure compliance with the same.

NOW, THEREFORE, in consideration of the Program Funds paid to the Owner under the Program Funding Agreement and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Owner hereby enters into this Declaration and hereby covenants, agrees, and declares the following:

AGREEMENT

1. Use of Property. Owner, for itself and for its successors and assigns, hereby declares and covenants that, for the Restriction Period, the use of the Property, or in the event only a portion thereof has been improved with the use of Program Funds, then only that portion that has been so improved shall be restricted to the Permitted Use. Any change to another use described in Exhibit B, attached hereto and incorporated herein by this reference, shall require the express prior written approval of DHCS in its sole and absolute discretion, which modification and consent may be recorded in the official records of the County.

2. Use, Maintenance, Repair, and Improvement of the Property. Owner agrees:

2.1 To use the Property, or that portion of the Property constructed or improved with Program Funds, continuously for the Permitted Use;

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2.2 To maintain the Property in conformity with the habitability and fire codes of the City or County where the Property is located in decent, safe, and sanitary condition and repair, and to permit no waste thereof;

2.3 Not to commit or suffer to be done or exist on or about the Property any condition causing the Property to become less valuable, except in accordance with this Declaration;

2.4 Not to apply for any permits or construct any buildings or improvements on the Property, other than the permits, buildings, and improvements contemplated as part of this Declaration, that would detrimentally affect the Property, including, without limitation, the value of the Property, the structural integrity of the Property, or the contemplated uses of the Property set forth in Exhibit B; or add to, remove, demolish, or structurally alter any buildings or improvements included as part of the Property purchased or improved with Program Funds, without DHCS's consent;

2.5 To comply with all applicable laws affecting the Property, including, but not limited to, Behavioral Health Continuum Infrastructure Program, authorized by California Welfare and Institutions Code sections 5960-5960.4, and not to suffer or permit any violations of any such applicable law, nor of any covenant, condition, or restriction affecting the Property. To the extent an amendment to the foregoing imposes requirements upon the ownership or operation of the Project more restrictive than those imposed by this Declaration, this Declaration shall be deemed automatically amended, without consent or approval of any other person, to impose such additional or more restrictive requirements; however, Owner hereby agrees to execute such amendment upon request by DHCS;

2.6 To construct and maintain the deliverables developed and produced pursuant to the Program Funding Agreement in compliance with the accessibility requirements of sections 7405 and 11135 of the California Government Code, section 508 of the Rehabilitation Act of 1973 as amended (29 U.S.C. § 794d), regulations implementing the Rehabilitation Act of 1973 as set forth in Part 1194 of Title 36 of the Code of Federal Regulations, and the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101 et seq.);

2.7 Not to initiate or acquiesce in any change in any zoning or other land use or legal classification which affects any of the Property without DHCS's prior written consent, which may be granted or withheld at DHCS's sole discretion;

2.8 Not to alter the use of all or any part of the Property constructed or improved with Program Funds without DHCS's prior written consent;

2.9 To maintain all licenses, certifications, or designations required to continue operating for the use specified in the Program Funding Agreement, or other use approved in writing by DHCS;

2.10 To pay to DHCS its then-current fees in connection with any consent, approval, transfer, amendment, or waiver requested by Owner, together with any expenses incurred by DHCS in connection therewith;

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2.11 To submit to DHCS such periodic reports, updates, and information deemed necessary by DHCS to monitor compliance and/or perform program evaluation. Any requested data or information shall be submitted in electronic format in a manner specified by DHCS;

2.12 To pay all taxes, assessments, and other charges, liens, fines, and impositions attributable to or encumbering the Property, by making payment, prior to delinquency, directly to the payee thereof. Owner shall, upon request by DHCS or its agent, promptly furnish to DHCS or its agent all notices of amounts due under this subsection and receipts evidencing such payments. Owner shall have the right to contest in good faith any claim or lien, or payment due thereunder, so long as Owner does so diligently, without prejudice to DHCS, and provided that Owner has established on Owner's books adequate reserves with respect to such contested assessment, tax, charge, lien, or claim; and

2.13 To defend (with counsel satisfactory to DHCS, in DHCS's sole discretion), indemnify, and hold harmless DHCS and its respective officers, members, supervisors, directors, officials, and employees, counsel, attorneys, and agents, past, present, and future of each of them (collectively, the "**Indemnified Parties**") against all loss, costs, damages, expenses, suits, judgments, actions, and liabilities of whatever nature (including, without limitation, reasonable attorneys' fees, litigation and court costs, and amounts paid in settlement) directly or indirectly resulting from or arising out of or related to (a) the operation, use, occupancy, maintenance, financing of ownership of the Owner's Project, and (b) any breach of the foregoing obligations. Owner shall pay, upon demand, all of the reasonable fees and expenses paid or incurred by DHCS in enforcing the provisions of this Declaration against Owner.

3. Restrictions On Sale, Encumbrance, And Other Acts.

3.1 Owner shall not voluntarily (which term shall not be interpreted to include a foreclosure of any security for a loan or deed-in lieu) sell, encumber (including recordation of deeds of trust), hypothecate, assign, pledge, convey, or transfer the Property, or any portion thereof, or any of its interests therein, equity interest in Owner, or any general partner interest in the Owner without obtaining DHCS's prior written consent, which shall not be unreasonably withheld by DHCS, in DHCS's sole discretion, if (a) the Owner is not in default hereunder or under the Program Funding Agreement and delivers a certificate to DHCS certifying to the same; (b) the purchaser or assignee is not in default under any obligations it may have to DHCS and is not the subject of any legal or enforcement actions by DHCS; (c) evidence reasonably satisfactory to DHCS is presented to establish that the purchaser or assignee has prior experience in the successful development, ownership, and/or operation of a facility described in Exhibit B for individuals who qualify as members of the target population, or has a partner with said relevant experience; (d) DHCS shall have received reasonable evidence satisfactory to DHCS that the Owner's purchaser or transferee has assumed, in writing, the restrictions on the Property and Owner's duties and obligations under this Declaration and the Program Funding Agreement; (e) evidence satisfactory to DHCS that the purchaser or assignee does not have pending against it, nor does it have a history of, building or fire code violations as identified by any department of DHCS; and (f) such other conditions as the State may reasonably impose to ensure compliance by the assignee or purchaser and Property with the requirements of this Declaration and Program Funding Agreement. It is expressly stipulated and agreed that, except for any such sale, transfer or disposition agreed to by DHCS in a separate writing, any sale, transfer, or other disposition of the

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Property in violation of this Section 3 shall be null and void , and shall not relieve the Owner of its obligations under this Declaration. Upon any sale or transfer which complies with this Declaration, the Owner shall be fully released from any obligations arising after said sale or transfer, but only to the extent such obligations have been assumed by the transferee of the Property. Any transfer of the Property to any entity, whether or not affiliated with the Owner, shall be subject to the provisions of this Section 3.

3.2 If DHCS determines, in its reasonable discretion, to grant its prior written consent for a sale, assignment, transfer, or conveyance of the Property, such consent may impose additional terms and conditions, as necessary, to preserve or establish the fiscal integrity of the Property or to ensure compliance with this Declaration.

3.3 If a trustee under a loan acquires title to the Property by foreclosure or deed in lieu of foreclosure, no consent of the State shall be required to such transfer under this Declaration; however, the consent of DHCS and delivery of items (a) through (f) in Section 3.1 above shall be required for any transfer of the Property subsequent to the trustee's acquisition of the Property by foreclosure or deed in lieu of foreclosure.

4. Insurance, Casualty, and Condemnation.

4.1 During the Restriction Period, Owner shall obtain and maintain (i) property insurance insuring against, among other things, loss of the Property, or any portion thereof, and Owner's personal property and fixtures by fire and such other hazards and casualties; (ii) commercial liability insurance insuring against liabilities arising out of the ownership, use, occupancy, condition, or maintenance of or the operations, use, and activities in, on, or about the Property; and (iii) other such insurance required by DHCS, and in such amounts as required by DHCS, which policies shall include DHCS as an additional insured upon request by DHCS. All insurance policies and renewals thereof shall be issued by a carrier and in a form acceptable to DHCS. Owner may choose to self-insure to comply with these requirements and agrees to provide written evidence of such insurance coverage within five (5) days of such request by DHCS or AHP.

4.2 In the event of any fire or other casualty to the Property or any part thereof, Owner shall immediately notify DHCS and seek direction from DHCS on how to proceed. DHCS, in its sole and absolute discretion, shall determine whether to instruct the Owner to apply the insurance proceeds to repayment to DHCS of the unamortized Program Funds. DHCS has the right but not the obligation to approve the plans and specifications for any repair and restoration, as well as the right but not the obligation to approve disbursements of insurance proceeds for repair and restoration under a construction escrow or similar arrangement.

5. Covenants Run with the Land. The Property is held and hereafter shall be held, conveyed, hypothecated, encumbered, leased, rented, used, and occupied subject to this Declaration. Notwithstanding section 1460, et seq., of the California Civil Code, the provisions hereof shall run with the land and may be enforced either in law or equity by any State agency. DHCS and Owner hereby declare their express intent that the covenants, reservations, and restrictions contained herein shall be deemed both equitable servitudes and covenants running with the land and shall pass to and be binding upon the Owner's successors in title to the Property;

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provided, however, that upon the expiration of the Restriction Period said covenants, reservations and restrictions shall expire. Owner expressly acknowledges and agrees that the Declaration is a reasonable restraint on Owner's right to own, use, maintain, and transfer the Property and any estate or interest therein and is not and shall not be construed to be an unreasonable restraint on alienation. Each and every contract, deed, or other instrument hereafter executed covering or conveying the Property, or any portion thereof, shall be held conclusively to have been executed, delivered, and accepted subject to this Declaration, regardless of whether this Declaration is set forth in such contract, deed, or other instrument.

6. Term of Declaration. The covenants in this Declaration shall be binding, effective, and enforceable commencing upon the recordation of this Declaration on the fee estate in land in the official records of the County, and they shall continue in full force and effect for a period of at least thirty (30) years after the date of either of the following: (i) the date of issuance of a Certificate of Occupancy, if the Owner's Project is for construction of a new facility, or (ii) the date of recordation of a Notice of Completion, in the official records of the County, if the Project is for the rehabilitation or expansion of an existing facility on the Property (the "**Restriction Period**"), regardless of any sale, assignment, transfer, or conveyance (including, without limitation, by foreclosure sale) of the Property or any portion thereof to any other person or entity.

7. Default, Remedies. If Owner defaults in the performance or observance of any covenant, agreement, restriction, or obligation of Owner set forth in this Declaration, and if such default remains uncured for a period of thirty (30) days after notice therefore shall have been given by DHCS to the Owner, then DHCS shall declare an "**Event of Default**" to have occurred hereunder. An Event of Default under this Declaration shall entitle DHCS to any rights, remedies, or damages available in law or equity, including, but not limited to, those that are specified in Section 7.1-7.4 below. DHCS's failure to exercise any specific right or remedy shall not be construed as a waiver of that or any other right or remedy. An Event of Default under this Declaration shall also constitute a default under the Program Funding Agreement, in the event the same has not expired by its terms.

7.1 Specific Performance. The use, repair, and maintenance of the Property is of a special and unique kind and character, so that a breach of any material provision of this Declaration by Owner would not have an adequate remedy in law. Therefore, DHCS's rights may be enforced by an action for specific performance and such other equitable relief as is provided by the laws of the State of California.

7.2 Injunctive Relief. In pursuing specific performance of the Declaration, DHCS shall be entitled to petition the court for injunctive relief to enjoin any acts or things which may be in violation of this Declaration or the Program Funding Agreement. Such injunctive relief may include a court order restraining any development of the Property that is inconsistent with the foregoing Declaration.

7.3 Appointment of Receiver. In addition to or in conjunction with any other remedy available in law or equity, DHCS may apply to a court of competent jurisdiction for the appointment of a receiver to take over and operate the Property in accordance with the requirements of the Program Funding Agreement and this Declaration. The receiver shall have all

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powers which shall be necessary or are usual in such cases for the protection, possession, control, management, and operation of the Property.

7.4 Right to Cure Defaults. Upon the occurrence and during the continuance of any Event of Default, the State may, but without any obligation to do so and without notice to or demand on Owner and without releasing Owner from any obligation hereunder, take such actions to cure the Event of Default in such manner and to such extent as the State may deem necessary to protect the security hereof. The cost and expense of any cure hereunder (including reasonable attorneys' fees to the extent permitted by law) shall be due and payable to the State upon demand, plus an administration fee of ten percent (10%).

7.5 Intentionally omitted.

8. DHCS Review and Inspection.

8.1 At any time during the term of this Declaration and upon reasonable notice, DHCS or its designee may, but is not obligated to, enter and inspect the Property and inspect all records pertaining to the operation, repair, and maintenance of the Property. Upon request by DHCS, Owner shall notify occupants of upcoming inspections in accordance with state law.

8.2 DHCS or its designee may, but is not obligated to, request any other information that it deems necessary to confirm compliance with this Declaration. Owner shall provide such requested information within fourteen (14) calendar days of DHCS's or its designee's written request for the information.

8.3 DHCS or its designee shall not, by the fact of making or not making any entries or inspections, or by taking or failing to take any action in response thereto: (i) incur or undertake, or be deemed to incur or undertake, any obligation, duty, or liability whatsoever, whether to Owner or to any other person or entity; (ii) be deemed as approving or disapproving any matter, action, incident, or condition related to the Property; or (iii) be deemed as approving or disapproving any matter related to the compliance of the Property with this Declaration or other applicable laws. In no event or circumstance shall DHCS's or its designee's exercise or non-exercise of its discretion under this subsection constitute, or be deemed or interpreted as constituting, any termination, limitation, alteration, or waiver by DHCS or its designee of any right, benefit, or remedies under or with respect to this Declaration.

9. Owner Representations. Owner represents and warrants to DHCS that: (1) Owner has sufficient interest in the Property to support the operation of the Property in accordance with this Declaration; (2) to Owner's actual knowledge and belief, there are no agreements, contracts, covenants, conditions, or exclusions to which Owner (or its predecessor in interest) is a party which would, if enforced, prohibit or restrict the use of the Property in accordance with the terms of this Declaration; (3) Owner has the full right and authority to enter into this Declaration; (4) this Declaration constitutes a valid and legally binding obligation on Owner, enforceable in accordance with its terms; and (5) Owner is duly organized, validly existing, and authorized to do business in the State of California.

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10. **Amendment, Modification.** This Declaration shall be amended only by a written instrument executed by the parties hereto or their successors in title, and duly recorded in the official records of the County.

11. **Severability.** Every provision of this Declaration is intended to be severable. If any provision of this Declaration is held invalid, illegal, or unenforceable by a court of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions shall not be affected or impaired.

12. **Governing Law.** This Declaration shall be governed by and interpreted under the laws of the State of California and applicable federal laws.

13. **Recordation of Agreement.** This Declaration shall be recorded on the fee estate in land in the official records of the County no later than December 31, 2026. The Declaration shall be recorded, and shall remain, as a lien against the Property for the Restriction Period. After the expiration of the Restriction Period, and, after the State's receipt of a written request from Owner, the State shall execute a termination of this Declaration.

SIGNATURES ON THE FOLLOWING PAGES

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IN WITNESS WHEREOF, Owner and State have caused this Declaration to be signed by their duly authorized representatives, as of the day and year first written above.

OWNER:

{{ legal_entity_name }},
{{ typ_of_legal_entity }}

By: _____
{{ las_name_pfa }}
{{ las_title_pfa }}

Date: _____

ALL SIGNATURES MUST BE ACKNOWLEDGED

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A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_____
Printed Name: _____
Notary Public

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IN WITNESS WHEREOF, Owner and State have caused this Declaration to be signed by their duly authorized representatives, as of the day and year first written above.

DHCS:

DEPARTMENT OF HEALTH CARE SERVICES,
a public agency of the State of California

By: _____
Laurice Artap, Section Chief
Community Services Division / Behavioral Health
Continuum Infrastructure Program Section

Date: _____

ALL SIGNATURES MUST BE ACKNOWLEDGED

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A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_____
Printed Name: _____
Notary Public

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EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

[TO BE INSERTED BY TITLE COMPANY]

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EXHIBIT B

PROPERTY AND OPERATIONS

A facility that provides one or more of the following behavioral health (mental health and substance use disorder) services to address significant crisis care and behavioral health gaps in California's infrastructure, including: outpatient clinical support services, including urgent care, short-term crisis, crisis stabilization, substance use disorder, partial hospitalization; or residential clinical services that provide shelter and support, including psychiatric acute care, psychiatric health, psychiatric treatment, substance use disorder, community treatment, general acute care, acute care, mental health rehabilitation, peer respite, short-term therapeutic, skilled nursing with special treatment, or social rehabilitation. The facility shall accept and provide services to Medi-Cal beneficiaries as patients.

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ATTACHMENT I

CONSTRUCTION CONTRACT ADDENDUM

This Construction Contract Addendum (this "**Addendum**") is made this _____day of _____, ____, by and between {{ legal_entity_name }}, {{ typ_of_legal_entity }} ("**Owner**") and _____ (the "**Contractor**").

RECITALS

A. The Owner and Advocates for Human Potential, Inc., a Massachusetts corporation ("**AHP**"), acting as program administrator for the State of California ("**State**") Department of Health Care Services, a public agency of the State of California ("**DHCS**"), have entered into that certain Program Funding Agreement dated _____ (the "**Agreement**"), pursuant to which Owner was allocated funds ("**Program Funds")** pursuant to the Behavioral Health Continuum Infrastructure Program ("**BHCIP**") for the purposes of developing the project located at {{ proposed_address }}, {{ proj_city }}, CA {{ proj_zip }} (the "**Project**").

B. Owner and Contractor have entered into a construction agreement dated _____, under which Contractor has agreed to undertake construction work on the Project (the "**Contract**").

C. Owner and Contractor wish to modify and add to the terms of the Contract as set forth in this Addendum, and Contractor agrees to be bound by the following provisions in the construction of said Project, in order to provide for certain terms required by AHP as a condition of providing the Program Funds for the Project. It is a condition to AHP providing the Program Funds that the Contractor agrees to be bound by the terms hereof.

NOW, THEREFORE, Owner and Contractor hereby agree as follows:

1. **OWNER'S OBLIGATIONS.** Owner agrees that any obligation imposed on Contractor by this Addendum does not waive, diminish, or alter any of Owner's obligations to AHP under the Agreement, and that the obligations of Contractor to AHP contained herein are in addition to those obligations of Owner to AHP or DHCS contained in the Agreement. Owner shall be solely responsible for satisfying its obligations to Contractor under the Contract.

2. **CONSENT TO ASSIGNMENT OF DEVELOPMENT RIGHTS.** Contractor consents to the assignment of its Contract with Owner to AHP, upon demand by AHP and written approval from DHCS, and to any subsequent assignment of the Contract by AHP at the election of AHP. Contractor agrees that if there is a breach of the Agreement or any other Event of Default (as the term may be defined in the Agreement), AHP may elect to enforce the assignment and take over the Contract. Contractor agrees to continue to perform its obligations under the Contract and this Addendum for the benefit and account of AHP in the same manner as if performed for the benefit and account of Owner in the absence of the assignment at no additional cost to AHP, as long as Contractor has received and continues to receive the compensation called for under the Contract. Contractor agrees that AHP shall not have any obligation under the Contract until AHP

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notifies it in writing of AHP's election to accept the assignment. DHCS shall not provide its written approval to AHP without first consulting with the Sponsor about AHP's request.

3. ASSIGNMENT OF SUBCONTRACTS. Contractor hereby consents to the assignment to AHP of all its interest in all subcontracts and agreements now or hereafter entered into by Contractor for performance of any part of the construction work required to be performed under the Contract. The assignment will be effective upon acceptance by AHP in writing and only as to those subcontracts and agreements which AHP designates in writing. After obtaining DHCS written approval, AHP may accept said assignment at any time during the course of the construction work required to be performed under the Contract and prior to final completion of construction work required to be performed under the Contract in the event of a suspension or termination of Contractor's rights under the Contract. Such assignment is part of the consideration to Owner for entering into the Contract with Contractor and may not be withdrawn prior to final completion of construction work required to be performed under the Contract. Contractor agrees that any subcontract entered by and between Contractor and a subcontractor in connection with the Contract or performance of the construction work required to be performed under the Contract shall expressly provide that such subcontract shall be assignable to AHP and that AHP subsequently may assign such subcontract. DHCS shall not provide its written approval to AHP without first consulting with the Sponsor about AHP's request.

4. COMMENCEMENT AND COMPLETION OF CONSTRUCTION. Contractor must begin construction of the Project by the date set for the commencement of construction in the Contract. Contractor must diligently prosecute construction of the Project to completion and must complete construction of the Project by the completion date set forth in the Contract. Incorporated herein are the Scope of Work, Performance Milestones, and Payment Schedule from the Agreement.

5. CONSTRUCTION BONDS. Upon execution of the Contract and prior to commencement of construction, unless otherwise approved by AHP or DHCS each in their sole discretion, Contractor must obtain a labor and material (payment) bond and a performance bond, or a dual bond which covers both payment and performance obligations, with respect to the construction of the Project in a penal sum each of not less than one hundred percent (100%) of the scheduled cost of construction. Such bonds must be issued by a company which is authorized to transact surety insurance in California and which has assets exceeding its liabilities in an amount equal to or in excess of the bond amount. The bonds must name AHP and DHCS as co-obligees. Owner shall provide to AHP a copy of any and all such payment and performance bonds prior to commencement of the construction work required to be performed under the Contract.

6. CONTRACT WORK. Contractor warrants and represents that it is licensed or otherwise authorized to perform the construction work specified in the Contract in the State of California. All construction work must be performed by persons or entities licensed or otherwise authorized to perform the applicable construction work in the State of California. Contractor shall insert similar provisions in all subcontracts for work for the Project.

7. QUALITY OF WORK. Contractor must construct the Project in conformance with the plans and specifications and any modifications thereto approved by AHP. Contractor must construct the Project according to general industry standards and shall employ building materials

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of a quality suitable for the requirements of the Project and conforming to general industry standards. Contractor must construct the Project in full conformance with applicable local, state, and federal statutes, regulations, and building and housing codes.

The parties acknowledge that AHP and DHCS are under no duty to review the Plans and Specifications or to inspect construction of the Project. Any review or inspection undertaken by AHP or DHCS of the Project is solely for the purpose of determining whether Owner and Contractor are properly discharging their obligations, and should not be relied upon by Owner, Contractor, or any third parties as a warranty or representation by AHP or DHCS as to the quality of the design or construction of the Project.

8. ADDITIONS OR CHANGES IN WORK. AHP must be notified, no later than thirty (30) days after the execution of a change order by and between Owner and Contractor, of any changes in the work required to be performed under the Contract or this Addendum, including any substantial additions, changes, or deletions to the approved plans and specifications, which exceeds One Hundred Thousand Dollars ($100,000). Contractor shall not allow subcontractors to mark-up any change order by more than fifteen percent (15%). Contractor shall provide AHP and Owner with an updated budget and schedule prior to the commencement of construction at the Project and at fifty percent (50%) completion of the Project showing all changes from the budget and schedule prepared prior to the issuance of the notice to proceed to Contractor.

9. SITE INSPECTIONS. Contractor shall permit and facilitate in person and remote observation and inspection of work at the job site by AHP and DHCS and their agents and by public authorities during reasonable business hours.

10. AUDITS. Contractor must make available for examination at reasonable intervals and during normal business hours to AHP and DHCS's representatives all books, accounts, reports, files, and other papers or property with respect to all matters covered by the Contract and this Addendum, and must permit these representatives to audit, examine, and make copies, excerpts, or transcripts from such records.

11. NONDISCRIMINATION. Contractor may not discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, sexual preference, national origin, AIDS or AIDS-related conditions, or disability in any phase of employment during construction. Contractor agrees to post in conspicuous places, available to all employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

12. PREVAILING WAGES. All workers performing construction work for the Project employed by Contractor and by any of its subcontractors must be compensated in an amount no less than the general prevailing rate of per diem wages as determined by the California Department of Industrial Relations under California Labor Code section 1770 et seq. and implementing rules and regulations. Contractor must comply with, and must ensure that its subcontractors comply with, all reporting and recordkeeping requirements of the applicable prevailing wage statutes and regulations.

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In the event of underpayment of wages by Contractor or by any subcontractor employed on the Project, AHP, in addition to other rights and remedies afforded by this Agreement, may: (1) demand that any underpaying employer comply with these requirements; (2) demand that the underpaying employer pay the difference between the prevailing wage rate and the amount actually paid to workers; (3) withhold and/or pay any Program Funds as necessary to compensate workers the full wages required under this Agreement; and/or (4) pursue any lawful administrative or court remedy to enforce these requirements against the underpaying employer. Any underpaying employer shall comply with a demand to pay any amounts due under this section within ten (10) calendar days of the demand.

Contractor must include the prevailing wage requirement in all subcontracts for work on this Project and must specify that AHP and DHCS are intended third-party beneficiaries of such provisions. Contractor must take reasonable measures to monitor and enforce the prevailing wage requirements imposed on its subcontractors, including withholding payments to those subcontractors who violate these requirements. In the event that Contractor fails to take the above measures, Contractor shall be liable for the full amount of any underpayment of wages, plus costs and attorneys' fees, as if Contractor was the actual employer.

13. INSURANCE COVERAGE. Contractor must have in full force and effect during the complete course of construction of the Project, insurance, providing coverage in the types and amounts set forth below:

13.1 Workers' compensation insurance as required by the State of California.

13.2 Comprehensive automobile and vehicle liability insurance covering claims for injuries to members of the public and/or damages to property of others arising from use of motor vehicles, including on-site and off-site operations, and owned, non-owned, or hired vehicles, with One Million Dollars ($1,000,000) combined single limits.

13.3 Commercial general liability insurance of not less than One Million Dollars ($1,000,000) per occurrence with an annual aggregate limit of Five Million Dollars ($5,000,000) for bodily injury and property damage liability combined. Such insurance can be provided pursuant to a combination of a commercial general liability insurance policy and an umbrella policy. The commercial general liability insurance policy shall cover liabilities arising out of premises, operations, independent contractors, products, completed operations, personal and advertising injury, and liability assumed under an insured agreement. The commercial general liability insurance shall apply to each insured against whom claim is made or suit is brought subject to the Sponsor's limit of liability.

14. NON-LIABILITY OF OFFICIALS, EMPLOYEES, AND AGENTS. No director, officer, official, employee, consultant, or agent of AHP or DHCS shall be personally liable to Contractor for any obligation created under the terms of the Contract or this Addendum except in the case of actual fraud or willful misconduct by such person.

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15. INDEMNITY. Notwithstanding the insurance requirements herein, Contractor hereby indemnifies, defends, and holds AHP, DHCS, and their respective directors, officers, officials, employees, consultants, and agents (collectively, the "Indemnified Parties"), harmless against any losses, damages, liabilities, claims, demands, judgments, actions, court costs, and legal or other expenses (including reasonable attorneys' fees) which an Indemnified Party may incur as consequence of Contractor's failure to perform any obligations as and when required by the Contract or this Addendum, any act or omission by Contractor or its subcontractors with respect to the Project, or any failure of any of Contractor's representations or warranties to be true and complete, except to the extent such losses are caused by the negligence or willful misconduct of the Indemnified Party. Contractor shall pay immediately upon the Indemnified Party's demand any amounts owing under this indemnity. The duty of Contractor to indemnify includes the duty to defend the Indemnified Party in any court action, administrative action, or other proceeding brought by any third party arising from the Project or the Contract or this Addendum. Contractor's duty to indemnify the Indemnified Party shall survive the term of the Contract.

16. HAZARDOUS MATERIALS. Neither Contractor nor any of its subcontractors may use the real property upon which the Project is to be constructed (the "Project Property") or allow the Project Property to be used for the generation, manufacture, storage, disposal, or release of Hazardous Materials. Contractor shall immediately notify AHP and Owner in writing of: (a) the discovery of any concentration or amount of Hazardous Materials on or under the Project Property requiring notice to be given to any governmental agency under Hazardous Materials Laws; (b) any knowledge by Contractor that the Project Property does not comply with any Hazardous Materials Laws; (c) the receipt by Contractor of written notice of any Hazardous Materials claims; and (d) the discovery by Contractor of any occurrence or condition on the Project Property or on any real property located within 2,000 feet of the Project Property that could cause the Project Property to be designated as a "hazardous waste property."

17. NOTICES; NOTICE OF DEFAULT TO AHP. If at any time after the execution of the Contract it shall become necessary or convenient for Contractor to serve any notice, demand, or communication upon AHP, such notice, demand or communication shall be in writing provided in accordance with the notice requirements of the Agreement. Contractor shall give AHP prior or concurrent written notice of any default or breach claimed by Contractor against Owner or any other party under the Contract. The notice shall describe the default and give AHP the option to cure said default within thirty (30) calendar days. No termination of the Contract by Contractor shall be binding unless AHP has been given the required notice and has not cured the default within thirty (30) calendar days.

18. REMEDIES. The parties hereto agree that AHP, while not a party to the Contract, is an intended third-party beneficiary of the obligations imposed on Contractor in this Addendum. In the event of any breach or violation of any agreement or obligation of Contractor under the Contract or this Addendum, AHP may proceed with any of the following remedies:

18.1 Bring an action in equitable relief seeking the specific performance by Contractor of the terms and conditions of the Contract or this Addendum and/or enjoining, abating, or preventing any violation of said terms and conditions;

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18.2 Order immediate stoppage of construction and demand that any condition leading to the default be corrected before construction may continue;

18.3 Enter the Project Property and take any actions necessary in its judgment to complete construction of the Project as permitted under the assignment of development rights;

18.4 Suspend disbursement of Program Funds for the Project until the breach or violation is corrected, or, if Owner had any concurrent obligation to perform on or ensure performance on the breached obligation, cancel the Program Funds commitment made to Owner and terminate AHP's obligation to disburse Program Funds to Owner;

18.5 Terminate the Contract; or

18.6 Pursue any other remedy allowed in law or equity.

19. GOVERNING LAW. This Addendum shall be interpreted under and be governed by the laws of the State of California, except for those provisions relating to choice of law and those provisions preempted by federal law.

20. DEFINITIONS. Capitalized terms not defined in this Addendum shall have the same meaning as defined in the Agreement.

21. ATTORNEYS' FEES AND COSTS. In the event any legal action is commenced to interpret or to enforce the terms of this Addendum, the prevailing party in any such action shall be entitled to recover all reasonable attorneys' fees and costs incurred in such action.

22. TIME. Time is of the essence in the performance of this Addendum by Contractor.

23. CONSENTS AND APPROVALS. Any consent or approval required under this Addendum shall not be unreasonably withheld, delayed, or conditioned.

24. BINDING UPON SUCCESSORS. All provisions of this Addendum shall be binding upon and inure to the benefit of the heirs, administrators, executors, successors-in-interest, transferees, and assigns of each of the parties; provided, however, that this section does not waive the prohibition on assignment of this Addendum by Contractor without AHP's consent.

25. RELATIONSHIP OF CONTRACTOR AND AHP. Contractor understands that neither AHP nor DHCS undertakes or assumes any responsibility or duty to Contractor or to any third party. The relationship of Contractor and AHP and DHCS for this Project shall not be construed as a joint venture, equity venture, or partnership. AHP shall have no obligation to any party under the Contract but is an intended third-party beneficiary of the obligations under this Addendum. Contractor shall have no authority to act as an agent of AHP or DHCS or to bind AHP or DHCS to any obligation.

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26. ASSIGNMENT. Contractor may not assign any of its interests under the Contract or the Addendum to any other party, except with the prior written consent of AHP. Any unauthorized assignment shall be void.

27. AMENDMENTS AND MODIFICATIONS. Any amendments or modifications to this Addendum must be in writing and shall be made only if executed by Owner and Contractor and consented to in writing by AHP.

28. SEVERABILITY. Every provision of this Addendum is intended to be severable. If any provision of this Addendum is held invalid, illegal, or unenforceable by a court of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions shall not be affected or impaired.

29. ADDENDUM CONTROLS. In the event that any provisions of this Addendum and the Contract conflict, the terms of this Addendum shall control.

SIGNATURES ON THE FOLLOWING PAGE

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IN WITNESS WHEREOF, Owner and Contractor have executed this Construction Contract Addendum as of the date first written above.

OWNER:

By: _____
{{ las_name_pfa }}
{{ las_title_pfa }}

Date: _____

CONTRACTOR:

By: _____
Name: _____
Title: _____

Date: _____

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ATTACHMENT J

RFA

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ATTACHMENT K

NOTICE OF CONDITIONAL AWARD LETTER

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ATTACHMENT L

FACILITY ACCESS AGREEMENT
BEHAVIORAL HEALTH CONTINUUM INFRASTRUCTURE PROGRAM (BHCIP)
ROUND 2: UNMET NEEDS

1. STATEMENT OF INTENT

The purpose of this Facility Access Agreement (this "**Agreement**") is to provide the State of California (the "**State**") **Department of Health Care Services** ("**DHCS**") with access to a property and facility owned and operated by {{ legal_entity_name }}, {{ typ_of_legal_entity }} (the "**Sponsor**"), which received grant funding through the Behavioral Health Continuum Infrastructure Program ("**BHCIP**"). The Sponsor further agrees to provide information and documents to DHCS as outlined in this Agreement. The Sponsor agrees to provide this facility access and to provide the information outlined in this Agreement to enable DHCS to confirm the Sponsor's compliance with BHCIP requirements and restrictions and applicable federal regulations. The Sponsor enters into this Agreement as a condition of receipt of Bond BHCIP Funds and will comply with this Agreement for the term specified.

2. BACKGROUND

DHCS oversees BHCIP pursuant to the requirements of California Welfare and Institutions Code sections 5960-5960.4, as amended by sections 5965-5967.01 that provided, in part, for the: (a) addition of section 5965.04 to the California Welfare and Institutions Code allocating additional funding to the Program; and (b) repealed section 5960.45 from the California Welfare and Institutions Code.

DHCS oversees BHCIP to award State Behavioral Health Infrastructure Bond Act of 2024 funds ("**Bond BHCIP Funds**") to qualified entities, through competitive grants, to construct, acquire, and rehabilitate real estate assets to address significant crisis care gaps in California's behavioral health (mental health and substance use disorder) infrastructure.

DHCS awarded the Sponsor Bond BHCIP Funds to acquire, expand, or construct certain improvements (the "**Sponsor's Project**") on that certain real property commonly known as {{ proposed_address }}, located in the City of {{ proj_city }}, County of {{ county }}, State of California, and the improvements thereon (the "**Property**"); and, to operate the specific type of behavioral health facility (the "**Facility**") identified in the Sponsor's application on the Property following the completion of the Sponsor's Project.

As part of DHCS's grant award to the Sponsor, the Sponsor entered into a contract with Advocates for Human Potential, Inc., a Massachusetts corporation ("**AHP**"), which is assisting in the management of the Bond BHCIP Funds and administering BHCIP in partnership with DHCS.

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This Agreement between DHCS and the Sponsor provides additional obligations the Sponsor has to DHCS as a condition of receiving all funds under the Sponsor's contract with AHP and in order to comply with the requirements of the statutes governing BHCIP.

3. APPLICABILITY OF BHCIP STATUTES

It is the intent of the parties that the Sponsor, and any subsequent owners of the Property continue to be bound by the requirements of the BHCIP statutes (California Welfare and Institutions Code sections 5960-5960.4,) and this Agreement for a minimum of thirty (30) years from the date of the Sponsor's contract with AHP, and shall continue in full force and effect for a period of at least thirty (30) years after the date of either of the following: (i) the date of issuance of a Certificate of Occupancy, if the Sponsor's Project is for construction of a new facility, or (ii) the date of recordation of a Notice of Completion in the official records of the county in the jurisdiction where the Property is located, if the Sponsor's Project is for the rehabilitation or expansion of an existing facility on the Property, notwithstanding the repeal of the BHCIP statutes. The BHCIP statutes, as written on the date of this Agreement, are hereby incorporated by reference into this Agreement.

4. SPONSOR OBLIGATIONS TO DHCS

For a minimum of thirty (30) years, the Sponsor shall:

A. Ensure that the Facility operates in compliance with the requirements set forth in California Welfare and Institutions Code sections 5960-5960.4 and Section 8.A. of this Agreement;
B. Comply with the change of Facility use requirements contained in Section 8.B. of this Agreement, if applicable;
C. Maintain all books, accounting records, client records, and documents in accordance with the requirements set forth in Section 8.C. of this Agreement;
D. Provide DHCS access to the Property, the Facility, books, accounting records, client records, and documents in accordance with the requirements set forth in Section 8.D. of this Agreement;
E. Provide DHCS with reports in the manner and frequency set forth in California Welfare and Institutions Code sections 5960-5960.4 and Section 8.E. of this Agreement;
F. Require, as a condition of sale, that any subsequent owners of the Property comply with the terms of this Agreement, if the Sponsor transfers ownership of Facility at any time during the thirty (30) years;
G. Obtain DHCS's written consent prior to incurring any debt secured by the Property, as applicable;
H. Provide written notice to DHCS within thirty (30) days of payment in full of any debt secured by the Property, as applicable; and
I. Provide written notice to DHCS of any litigation or governmental proceeding pending against the Sponsor, or any other event, that may materially adversely affect the Sponsor's Property, business, operations, assets, condition (financial or otherwise), or prospects, in accordance with the requirements set forth in Section 8.H. of this Agreement.

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5. SERVICE LOCATION

The services shall be performed at the Property.

6. SERVICE HOURS

The services shall be provided during normal Sponsor working hours and days.

7. PROJECT REPRESENTATIVES

A. The project representatives during the term of this Agreement will be:

Department of Health Care Services	**{{ legal_entity_name }}**
Contract/Grant Manager: Laurice Artap, Section Chief Community Services Division / Behavioral Health Continuum Infrastructure Program Section **Telephone:** +1 (916) 345-8512 **Email:** laurice.artap@dhcs.ca.gov	**Contract/Grant Manager:** {{ las_name_pfa }}, {{ las_title_pfa }} **Telephone:** {{ las_cell_num_pfa }} **Email:** {{ las_email_pfa }}

B. Direct all inquiries to:

Department of Health Care Services	**{{ legal_entity_name }}**
State of California Department of Health Care Services Attention: Behavioral Health Expansion Branch, Community Services Division 1501 Capitol Avenue, MS 2633 Sacramento, CA 95814 **Telephone:** +1 (916) 345-8512 **Email:** laurice.artap@dhcs.ca.gov	Attention: {{ las_name_pfa }}, {{ las_title_pfa }} {{ lead_authorized_repersentative_address_business }} {{ lead_auth_rep_city_business }}, {{ lead_auth_rep_state_business }} {{ lead_auth_rep_zip_business}} **Telephone:** {{ las_cell_num_pfa }} **Email:** {{ las_email_pfa }}

C. Either party may make changes to the information above by giving written notice to the other party. Said changes shall not require an amendment to this Agreement.

8. SERVICES TO BE PERFORMED

A. Operation of the Facility:

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For a minimum of thirty (30) years, the Sponsor shall comply with the following requirements:

1. Operate the Facility in accordance with all applicable requirements in California Welfare and Institutions Code sections 5960-5960.4;
2. Operate the Facility as the type of behavioral health services facility identified in the Sponsor's DHCS-approved BHCIP grant application for Bond BHCIP Funds, and serve the populations identified in the Sponsor's DHCS-approved BHCIP grant application for Bond BHCIP Funds, unless otherwise approved by DHCS in the manner described in Section 8.B. below; and
3. Accept Medi-Cal and/or Mental Health Services Act/Behavioral Health Services Act ("**MHSA/BHSA**") beneficiaries and serve at least the same percentage, or more, of Medi-Cal and/or MHSA/BHSA beneficiaries, as identified in the Sponsor's DHCS-approved BHCIP grant application for Bond BHCIP Funds.

Any change to the Sponsor's Project, including the Sponsor's Project expansion scope requirements, as set forth in Table 1 below, shall require the Sponsor to submit a written request to DHCS in accordance with the requirements of Section 8B. No changes may be made without prior written approval from DHCS.

TABLE 1		
A. SPONSOR'S PROJECT AND SPONSOR INFORMATION		
Sponsor Name: {{ legal_entity_name }} **Entity Type:** {{ typ_of_legal_entity }} **Project UUID:** {{ composite_uid }} **Project Name:** {{ proj_name }} **Project Address:** {{ proposed_address }}, {{ proj_city }}, {{ proj_state }} {{ proj_zip }}		
B. SPONSOR'S PROJECT NARRATIVE		
1. Behavioral health purpose of the project 2. Population to be served by the Project		
% of Medi-Cal and/or Mental Health Services Act/Behavioral Health Services Act ("MHSA/BHSA") Beneficiaries Served:		
C. SPONSOR'S PROJECT EXPANSION SCOPE REQUIREMENTS		
Facility Type 1:	**# New Beds:**	**# New Slots:**

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Facility Type 2:	**# New Beds:**	**# New Slots:**
Facility Type 3:	**# New Beds:**	**# New Slots:**
Facility Type 4:	**# New Beds:**	**# New Slots:**
Facility Type 5:	**# New Beds:**	**# New Slots:**
Facility Type 6:	**# New Beds:**	**# New Slots:**
Facility Type 7:	**# New Beds:**	**# New Slots:**
Facility Type 8:	**# New Beds:**	**# New Slots:**
	Total # New Beds:	**Total # New Slots:**

B. Change in Facility Use

For a minimum of thirty (30) years, if the Sponsor wants to change the type of behavioral health facility that it operates on the Property to something other than what was approved in the Sponsor's BHCIP grant application for Bond BHCIP Funds, or to change or expand populations to be served by the facility, the Sponsor shall submit a written request to DHCS prior to making such a change.

The Sponsor's written request shall:

1. Identify the desired type of behavioral health facility;
2. Identify the populations to be served by the facility;
3. Explain the need for the proposed change; and
4. Identify any licenses, certifications, building modifications, staff, or any other requirement that the Sponsor must obtain before being able to make the proposed change.

As a part of its review of the Sponsor's request, DHCS shall ensure that the change in use or population is tailored to provide behavioral health treatment that will meet community needs identified by local stakeholders, including the county board of supervisors, the county behavioral health director, providers of behavioral health services, and individuals who have or have had a mental health disorder or a substance use disorder. DHCS has absolute discretion to permit or deny the request and may require the Sponsor to provide additional information to evaluate the Sponsor's request.

C. Record Retention

1. The Sponsor shall maintain books, accounting records, client records, and other documents in a manner sufficient to properly reflect all direct and indirect costs of operating the Property during the term of this Agreement,

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including any matching costs and expenses. The foregoing constitutes "records" for the purpose of this provision.

2. The Sponsor's records and the Property's and Facility's records shall be subject at all reasonable times to inspection, audit, and reproduction by authorized representatives of the State, including DHCS or its authorized representatives.

3. The Sponsor agrees that departments authorized to represent the State (including DHCS, the Department of Finance or its authorized representatives, and the Bureau of State Audits or their designated representatives) and authorized representatives of the United States (including the Comptroller General and the Internal Revenue Service) shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. The Sponsor agrees to allow these state and/or federal representatives access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, the Sponsor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Cal. Gov. Code § 8546.7, 2 CCR §1896.77.)

   3.1 The Sponsor shall maintain records in a data storage medium that is accessible to DHCS. DHCS, at its sole discretion, shall determine whether the Sponsor's type of data storage medium meets this accessibility requirement.

4. The Sponsor shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Sponsor's Project and the Bond BHCIP Funds for a minimum of thirty-five (35) years from the date of final disbursement to the Sponsor of its award of Bond BHCIP Funds, in compliance with the July 2, 2008 General Obligation Bond Record Retention Memorandum from the California State Treasury Office, 26 C.F.R. §1.148-5(d)(6)(iii)(E), Section 7 of **Attachment A** of the Sponsor's contract with AHP, and all applicable Internal Revenue Service statutes, regulations, and guidance. If any litigation, claim, negotiation, audit, or other action involving the records has been started before the expiration of the thirty-five (35) year period, the records shall be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular thirty-five (35) year period, whichever is later.

5. The Sponsor may, at DHCS's discretion, following the expiration of this Agreement, reduce its accounts, books, and records related to this Agreement to microfilm, computer disk, CD ROM, DVD, or other data storage medium. Upon request by DHCS or an authorized DHCS representative to inspect, audit, or obtain copies of said records, the Sponsor shall supply or make available applicable devices, hardware, and/or software necessary to view, copy, and/or print said records. Applicable devices may include, but are not limited to, microfilm readers and microfilm printers, etc.

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D. DHCS Monitoring

DHCS, or its authorized representatives, has the right at all reasonable times to inspect the Property and the Facility. If DHCS exercises this right to inspect, the Sponsor shall provide access to the Property and the Facility and shall provide reasonable assistance for the safety and convenience of DHCS or its authorized representatives in the performance of their duties. All inspections and evaluations shall be performed in such a manner as will not unduly delay the work.

E. Proof of Insurance

Beginning five (5) years after the Sponsor's contract with AHP, the Sponsor shall provide DHCS with proof of insurance for the Property annually or whenever there is a change in coverage. DHCS shall accept evidence of self-insurance, in the amounts and types sufficient to provide adequate coverage, subject to DHCS approval, in its sole discretion.

F. Assignment of this Agreement Following the Transfer of Ownership of the Facility

If at any time during the thirty (30) year period of this Agreement, the Sponsor sells, gifts, or otherwise transfers ownership of the Property, in whole or in part, the Sponsor shall ensure that, as a condition of the ownership transfer, the subsequent owner of the Property complies with the terms of this Agreement.

Prior to finalizing any transfer of ownership of the Property, the Sponsor shall request that DHCS formally amend this Agreement to assign the Sponsor's obligations under this Agreement to the subsequent owner of the Property.

This Agreement is not assignable by the Sponsor, either in whole or in part, without the prior written consent of DHCS.

G. Debt Secured by the Property

1. The Sponsor shall obtain DHCS's written consent prior to incurring any debt secured by the Property, as applicable.

2. The Sponsor shall notify DHCS in writing within thirty (30) days of payment in full of any debt secured by the Property, as applicable.

H. Notice of Litigation and Other Events

Within five (5) business days after an officer or other authorized representative of the Sponsor obtains knowledge thereof, the Sponsor shall provide written notice to DHCS of (i) any litigation or governmental proceeding pending against the Sponsor which could materially adversely affect the Sponsor's Property, business, operations, assets, condition (financial or otherwise), or prospects and (ii) any other event which is likely to materially adversely affect the Sponsor's Property, business, operations, assets, condition (financial or otherwise), or prospects.

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I. Remedies

If the Sponsor violates the terms of this Agreement, DHCS or another department authorized to represent the State may impose a corrective action plan and/or take any of the following enforcement actions:

1. Direct AHP to temporarily withhold any grant payments of Bond BHCIP Funds pending correction of the deficiency;
2. Disallow all or part of the cost of the activity or action not in compliance;
3. Direct AHP to wholly or partly suspend or terminate the grant award of Bond BHCIP Funds;
4. Withhold or deny further award of Bond BHCIP Funds to the Sponsor;
5. Require the Sponsor to forfeit and return all or part of the grant award of Bond BHCIP Funds, including any interest; and/or
6. Require the Sponsor to forfeit and return all unused grant Bond BHCIP Funds, including any interest.
7. Specific Performance

DHCS (or another department authorized to represent the State) may specify the timeframes and deadlines for the Sponsor's compliance with the above remedies. All remedies required by DHCS shall be final and are not subject to administrative review.

DHCS (or another department authorized to represent the State) may take any other permissible remedies available in law or equity to enforce the terms of this Agreement.

9. AMERICANS WITH DISABILITIES ACT

Sponsor agrees to ensure that deliverables developed and produced pursuant to this Agreement shall comply with the accessibility requirements of sections 7405 and 11135 of the California Government Code, section 508 of the Rehabilitation Act of 1973 as amended (29 U.S.C. § 794d), regulations implementing the Rehabilitation Act of 1973 as set forth in Part 1194 of Title 36 of the Code of Federal Regulations, and the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101 et seq.). In 1998, Congress amended the Rehabilitation Act of 1973 to require Federal agencies to make their electronic and information technology (EIT) accessible to people with disabilities. California Government Code sections 7405 and 11135 codifies section 508 of the Rehabilitation Act of 1973 requiring accessibility of EIT.

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10. AGREEMENT EXECUTION

This Agreement shall be signed by DHCS and by a representative of the Sponsor, who by signing warrants that they have the requisite authority to enter into this Agreement on behalf of the Sponsor. This Agreement shall be effective as of the date that the complete document is signed or the date that the contract between the Sponsor and AHP goes into effect, whichever date is later.

_____
Sponsor's Authorized Representative's Signature

{{ las_name_pfa }}, {{ las_title_pfa }}
Sponsor Representative's Name in Print and Title

_____
Date

_____
DHCS Representative Signature

Laurice Artap, Section Chief
Community Services Division / Behavioral Health
Continuum Infrastructure Program Section
DHCS Representative Name in Print and Title

_____
Date

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ATTACHMENT 1

RFQ/RFP #25116-1
Bid Id: 211995

Includes:
Attachment A: Preliminary Site Plan (reference only)
Attachment B: Community Workforce Agreement
Attachment C: Bond BHCIP Sample Program Funding Agreement

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COUNTY OF SANTA BARBARA
GENERAL SERVICES DEPARTMENT
CAPITAL PROJECTS DIVISION

one COUNTY | one FUTURE

REQUEST FOR QUALIFICATIONS/PROPOSALS
for
CONSTRUCTION MANAGEMENT SERVICES

North County Crisis Residential Treatment Facility
Assessor's Parcel Number 113-210-024, Santa Maria, CA 93455

COUNTY PROJECT NO. 25116

RFQ BRIEFING CONFERENCE:
TUESDAY, MAY 5, 2026
11:00 A.M. PST

RESPONSE DUE DATE:
THURSDAY, JUNE 4, 2026
4:00 P.M. PST

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1. INTRODUCTION

The County of Santa Barbara General Services Department ("County") is soliciting proposals with qualifications for Owners Advisor/Construction Management Services for the County of Santa Barbara North County Crisis Residential Treatment ("CRT") Facility Project ("Project").

The purpose of this Request for Qualifications and Proposals ("RFQ/P") is to solicit responses so that the County may select from a range of proposals from Construction Management firms ("Proposers" and each a "Proposer") that best meet the County's needs and requirements. The County urges all interested proposers to carefully review the requirements of this RFQ/P. Written proposals containing all of the information requested herein will serve as the primary basis for final selection of a Construction Manager ("CM") for the Project. All proposals will be reviewed by the Selection Committee. The County reserves the right to conduct interviews at the County's discretion. Each Proposer must thoroughly read ALL sections of this RFQ/P prior to submitting a proposal. The contracts and agreements described in this RFQ/P are non-negotiable.

2. BACKGROUND

The County of Santa Barbara ("County") is seeking the services of a qualified Construction Management ("CM") firm to provide comprehensive project management and construction management services for the development of a new North County Crisis Residential Treatment ("CRT") Facility (the "Project"), to be delivered using a Progressive Design-Build (PDB) method.

The Project site is located on County-owned property at Assessor's Parcel Number 113-210-024 in Santa Maria, California, adjacent to the existing North Branch Jail and the ongoing North Branch Jail Expansion Project. The North Branch Jail address is 2301 Black Road, Santa Maria, CA 93455. The County's General Services Department will serve as the owner's representative for design, construction, and long-term operations and maintenance of the facility.

The Project consists of the design, planning and construction of two (2) independent, standalone, 16-bed crisis residential treatment ("CRT") programs ("pods"). Each 16-bed pod is anticipated to include residential rooms, treatment and counseling spaces, day and dining areas, indoor community spaces, administrative and staff support areas, and dedicated kitchen and laundry facilities. The Project will also include an appropriately sized outdoor recreation areas designed to support both active and passive use. Site improvements will include internal circulation, parking, grading, drainage, perimeter security fencing, and utility infrastructure.

The Project will be delivered as an all-electric facility designed to be rooftop "solar ready" and consistent with the County's Net Zero Energy Policy. Existing site infrastructure includes potable water, fire water, sanitary sewer, and storm drainage systems with sufficient capacity to serve the Project. Certain utility extensions and off-site improvements will require coordination with external agencies, including the Board of State and Community Corrections (BSCC), particularly where work occurs within or adjacent to State lease boundaries. Electrical service will require extension from an off-site source across Betteravia Road.

Off-site improvements include development of a new primary access point from Betteravia Road, which may include roadway widening, a deceleration lane, and possibly a traffic signal. These improvements are

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anticipated to be coordinated with, and partially cost-shared by, the adjacent North Branch Jail Expansion Project.

The Project will be reviewed and permitted through the County's Planning and Development Department (grading and site improvements) and General Services Department (building permits). A third-party plan check consultant will be retained by the County for code compliance review.

On March 12, 2026, the County received a conditional Notice of Award in the amount of $20,000,000.16 through the California Department of Health Care Services' Behavioral Health Continuum Infrastructure Program (BHCIP) Round 2 funding to support development of the Project.

The County intends to procure a Design-Build Entity (DBE) through a qualifications-based selection (QBS) process and to deliver the Project using a two-phase Progressive Design-Build contract. The selected CM will play a key role in supporting procurement of the DBE, facilitating project validation, independently evaluating cost and schedule, and providing full construction management services through all phases of the Project.

The County's total Project budget is $28,101,865, inclusive of all project-related costs, including design, construction, construction management, project management, permitting, inspections, furnishings, contingencies, and related expenses.

The County is seeking a CM firm with demonstrated experience in Progressive Design-Build delivery to provide independent oversight, cost and schedule validation, risk management, and full lifecycle construction management services to support successful delivery of the Project.

3. GOAL

The overall goal of this RFQ/P is to procure professional Construction Management services to support successful delivery of the North County Crisis Residential Treatment Facility using a Progressive Design-Build delivery method.

The Construction Manager ("CM") will assist the County in managing project scope, budget, schedule, quality, safety, and risk throughout the Design Build Entity ("DBE") solicitation, procurement process, performance specification development, collaborative design phase, construction, and project closeout including close coordination with the County's Project Manager, County Agencies such as Facilities Maintenance and Behavioral Wellness staff, the Inspector of Record (IOR), special testing and inspection agents, the County's commissioning agent.

The CM will play a key role in supporting open-book cost development, constructability review, value analysis, schedule validation, and risk mitigation during the Progressive Design-Build Phase 1 services leading to establishment of a Contract Price or Guaranteed Maximum Price (GMP).

4. SCOPE OF WORK AND DELIVERABLES

A qualified construction management team shall provide the services detailed herein ("Services") and identify any additional services necessary to ensure timely and cost-effective construction of the Project. The delivery will be Progressive Design-Build. The awarded Proposer will **not** be permitted to solicit as

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part of a Design-Build team for the Design-Build phase of the Project.

The services of the CM will be required for the DBE selection phase through completion of the construction phase, including post-construction services. The County expects the Construction Management team to protect the County's interests while keeping the Project on schedule and on budget. The CM shall coordinate and communicate with County personnel, including, but not limited to: the General Services Department County Project Manager(s) and other designee(s), Behavioral Wellness staff, Inspector of Record, Special Inspectors, Commissioning Agent(s); and the DBE team on all aspects of the Scope of Work and the Project during the Term of the Agreement (defined below).

The scope of work for the CM on this Project includes the following:

General

All of the services furnished by the CM under the Agreement shall meet the professional standards and quality which prevail among construction management contractors of superior knowledge and skill engaged in similar works on projects throughout California under similar circumstances. Experience managing progressive design build projects of similar size and budget is required. All services performed by the CM shall comply with all applicable federal, state, and local codes, statutes, rules, and regulations which are in force at the time such services are rendered, including State Bond BHCIP grant requirements and guidelines for general practices of a construction manager.

The CM shall exercise its best professional efforts to, through the construction contractors and consultants, ensure attendance of all appropriate personnel at all meetings and presentations, as necessary, including, but not limited to, all sub-consultants, subcontractors, employees and persons under the direction or control of such consultant(s) and construction contractor(s), utility owners, and other County staff.

The CM shall exercise best efforts to coordinate the activities of the County, such that the County may provide timely decisions to the construction contractors, consultants and architects to reach mutually agreed upon decisions on matters affecting the progress of the Project work, and to coordinate County's input and decisions that affect the performance of the overall Project.

A qualified construction management team will be able to provide the services listed above and identify any further services necessary to ensure timely and cost-effective completion of the Project. A Proposer who is engaged by the County as the Construction Manager shall not be permitted to bid or contract for the construction of the Project.

Solicitation and Procurement of Design-Build Entity (DBE)

The Construction Manager (CM) shall support the County in a qualifications-based selection (QBS) process for the DBE, followed by negotiation of the Phase 1 (Validation and Design & Preconstruction) services, including:

RFQ Development and Procurement Planning

- Assist in developing and reviewing RFQ documents to ensure clear articulation of qualifications, technical approach, team structure, relevant experience, and compliance with County

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requirements.

- Support establishment of evaluation criteria, scoring methodologies, and procurement schedule consistent with a QBS process.
- Support outreach and engagement to attract a competitive pool of qualified DBE teams.

Proposal Evaluation and Selection

- Coordinate, track, and respond to proposer Requests for Information (RFIs); prepare and distribute addenda as needed.
- Participate in evaluation of Statements of Qualifications (SOQs); assist in shortlisting, development of interview materials, and evaluation tools.
- Attend, facilitate, and document proposer interviews and presentations; Participate in scoring, ranking, and final selection of the highest-ranked DBE based on qualifications.

Phase 1 Negotiation and Transition

- Assist the County in negotiation of the Phase 1 services agreement, including review of the DBE's cost proposal, staffing plan, assumptions, and fee structure; provide independent analysis and recommendations.
- Support execution of the Phase 1 agreement and establish procedures to transition efficiently into subsequent design and construction phases.

Phase 1: Validation Period and Design & Preconstruction Phase

The CM shall provide comprehensive management and oversight during validation and design, including:

Contract Administration and Oversight

- Administer the Phase 1 PDB agreement as the County's representative, ensuring compliance with contract requirements and alignment with project goals.
- Facilitate and document validation activities to confirm program, scope, budget, schedule, site conditions, and key project risks.
- Review and validate DBE assumptions, cost models, contingencies, and proposed construction approach; provide independent cost estimating, benchmarking, and risk assessment.
- Monitor and manage project budget and schedule, including updates to cost estimates, value engineering, phasing strategies, and risk tracking; provide recommendations for cost and schedule control.

Design Management and Coordination

- Manage the design phase, including coordination of design submittals, distribution to all stakeholders, consolidation of review comments into a single coordinated log, and facilitation of

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resolution between DBE, County, and reviewing agencies (e.g., Behavioral Wellness, Facilities, IT, Fire, BSCC, and others).

- Attend, document, and distribute minutes for all design, coordination, and budget meetings; ensure timely follow-up on action items.
- Coordinate RFIs, design clarifications, and stakeholder communications to ensure timely resolution and alignment among all parties.

Permitting and Entitlements

- Coordinate and support permitting and entitlement efforts with all Authorities Having Jurisdiction (AHJs), including tracking approvals, resolving comments, and identifying permitting requirements.

Project Controls and Documentation

- Establish and manage a Project Management Information System (PMIS) for document control, workflow tracking, reporting, and record retention; ensure all project records (RFIs, submittals, meeting minutes, cost data, design documents, etc.) are complete, current, and accessible to stakeholders.
- Develop procedures, forms, and protocols to facilitate efficient transition to the construction phase, including cost reporting, RFIs, submittals, change orders, and payment applications.

Construction Readiness and Early Work

- Assist in development of construction staging, phasing, and site logistics plans, including coordination of access, laydown areas, and operational impacts.
- Support development and evaluation of early work packages, including scope definition, cost validation, and risk considerations.
- Assist the County in procurement and selection of supporting consultants (e.g., IOR, special inspection/testing, commissioning, plan check), including RFQ support and proposal evaluation.

Phase 2 Readiness Support

- Support the County in evaluating the DBE's Phase 2 proposal for Final Design and Construction, including review of scope, schedule, pricing, assumptions, contingencies, and risk allocation; provide independent recommendations to support negotiations and final GMP approval.

Phase 2: Final Design and Construction Phase

The CM shall provide full construction contract administration, oversight, and on-site management upon execution of the Phase 2 amendment, including, without limitation:

Contract Administration and Oversight

- Support the County in negotiation and execution of the Phase 2 amendment by reviewing and validating the DBE's proposed contract price, scope, schedule, assumptions, allowances,

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contingencies, and risk allocation; provide independent cost and schedule analysis and recommendations.

- Administer and enforce the Design-Build contract as the County's representative, interpreting contract requirements, monitoring compliance, advising on rights and obligations, and issuing formal communications such as Notices to Proceed, including phased or early work packages.
- Provide a Community Workforce Agreement (CWA) Coordinator to monitor compliance with labor requirements, including prevailing wage documentation, and advise the County on contractual, schedule, or scope issues per the County's approved CWA.

On-Site Management and Observation

- Provide full-time, on-site CM staffing appropriate to project size and complexity, including daily observation of work to ensure conformance with Contract Documents, approved submittals, applicable codes, and standards.
- Conduct pre-construction and weekly progress meetings; prepare agendas, document discussions and decisions, track action items, and provide meeting minutes to the County within five (5) working days.
- Observe, monitor, and coordinate construction activities in accordance with the master project schedule and General Conditions, including early work or phased construction packages.

Project Controls and Reporting

- Establish, maintain, and manage a comprehensive project management information system (PMIS) for document control, workflow tracking, reporting, and record retention (both digital and hard copy). Include drawings, specifications, amendments, daily reports, RFIs, submittals, change orders, shop drawings, payment applications, correspondence, photos, videos, and other project documentation; maintain GIS interface for location-specific document access.
- Review, analyze, and monitor DBE construction schedules, critical path activities, phasing, and sequencing; identify delays or deviations and recommend corrective actions, including recovery plans.
- Monitor overall project budget, including commitments, expenditures, contingencies, and forecasted costs; perform monthly earned value and schedule performance analyses; provide cash flow projections, cost reports, and corrective recommendations.
- Review and process DBE payment applications, change orders, submittals, RFIs, and shop drawings for completeness, compliance, coordination, and cost/schedule impact. Prepare independent cost estimates and recommendations.
- Identify, document, and evaluate claims, unforeseen conditions, delays, and potential risks; coordinate timely investigation and provide recommendations for resolution.

Safety, Environmental, and Quality Compliance

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- Develop and implement a project-specific safety plan for all non-DBE personnel accessing the site, including CM personnel, subconsultants, IOR, County staff, and others; document and report safety violations, hazardous conditions, or incidents immediately to the County.
- Support compliance with environmental permitting, mitigation measures, and Storm Water Pollution Prevention Plan (SWPPP); monitor DBE and subcontractors' implementation of SWPPP requirements as Qualified SWPPP Practitioners (QSP).
- Review and verify implementation of quality control, site logistics, phasing/staging, traffic control, temporary facilities, and other construction management plans.

Coordination and Stakeholder Management

- Coordinate and facilitate communication among all project stakeholders, including County staff, user groups, inspectors, consultants, utilities, and DBE personnel, to ensure timely decision-making and issue resolution.
- Coordinate all on-site services and third-party contractors (inspection, testing, commissioning, surveying) to ensure scheduled, documented, and compliant execution.

Documentation and Record Keeping

- Maintain current contract documents and coordinate development of record (as-built) drawings incorporating field changes, RFIs, approved modifications, and other updates.
- Document and manage all unforeseen conditions reported by the DBE, including investigation, communication, and recommendations for resolution.
- Prepare and submit monthly progress reports summarizing budget, schedule, construction progress, safety, quality, risks, and key issues requiring County action.

Office and Support

- Provide and pay for all necessary office equipment, materials, and supplies for a fully functioning CM jobsite office.
- Provide sufficient access and training to all stakeholders for the project management system, ensuring proper use and document control.

Project Close-Out Phase

The CM shall oversee, manage, and coordinate all project close-out activities to ensure the Project is fully completed, documented, and accepted in accordance with the Contract Documents, including, without limitation:

Close-Out Planning and Coordination

- Develop, implement, and maintain a comprehensive close-out plan, including schedules, procedures, and checklists identifying required activities, responsible parties, and timelines.
- Coordinate all inspections, testing, start-up, and commissioning of building systems and components; verify compliance with contract requirements and performance criteria.

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- Coordinate and facilitate final inspections with the DBE, architects, inspectors, commissioning agents, County staff, and Authorities Having Jurisdiction (AHJs); track and resolve deficiencies and punch list items in accordance with contract timelines.
- Oversee preparation of final punch lists, monitor completion, and ensure contract requirements for correction of deficiencies are enforced.

Documentation and Reporting

- Verify submission and accuracy of all required close-out documentation in both digital and hard copy formats, including record (as-built) drawings, specifications, operation and maintenance (O&M) manuals, warranties, guarantees, permits, inspection records, and test results.
- Prepare a final project close-out report summarizing construction activities, cost and schedule performance, key issues, and resolutions.
- Prepare, coordinate, and process Notices of Completion and other required regulatory or contractual close-out documentation.

Training and Knowledge Transfer

- Coordinate DBE-provided training for County personnel on building systems, ensuring completeness, accuracy, and adequate staffing availability; schedule and document training sessions.
- Record training sessions (if not included in DBE scope), file in the project management system, and provide hard-copy media (e.g., USB drives) to County personnel.

Final Financial and Contract Administration

- Review and process final payment applications, ensuring compliance with contract requirements, lien releases, warranties, and all close-out documentation.
- Support negotiation, reconciliation, and resolution of final change orders, claims, or outstanding contract issues.

Post-Construction Phase

The CM shall provide post-construction and warranty-phase services to support the County and ensure long-term project performance, including, without limitation:

Final Reporting and Project Records

- Prepare and submit a comprehensive Construction Summary Report, documenting all project phases (procurement, validation, design, construction, and close-out), including budget, schedule, changes, and key project decisions.
- Organize, index, and deliver a complete project record archive, including contracts, correspondence, RFIs, submittals, change orders, payment records, permits, inspection reports, and record (as-built) drawings, ensuring accessibility for future operations and maintenance.

Warranty and Performance Monitoring

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- Conduct periodic warranty inspections, including a formal inspection approximately eleven (11) months after Substantial Completion; identify deficiencies, incomplete work, or system performance issues, and coordinate corrective actions with the DBE.
- Maintain and track all warranty items, monitor DBE responsiveness, and ensure timely resolution of warranty claims.
- Assist in evaluating and resolving latent defects, operational issues, or system performance concerns that arise during the warranty period.

Claims, Disputes, and Operations Support

- Support the review, documentation, and resolution of outstanding claims, disputes, or stop notices; provide analysis and recommendations to the County.
- Assist with the transition to full operations, verifying that all building systems are functioning as intended and that operations staff have adequate documentation, training, and resources.
- Assist in coordination of post-occupancy evaluations or performance assessments, as requested by the County.

Certification

- Provide a written certification to the County stating that, to the best of the CM's knowledge, the Project was completed in general conformance with the Contract Documents, approved changes, and applicable codes and regulations, without relieving other parties of their contractual responsibilities.

5. ANTICIPATED PROCUREMENT SCHEDULE AND PROJECT MILESTONES

The following represents the schedule for this **RFQ/P**. All dates are subject to change.

RFQ/P Issuance on Public Purchase	April 24 2026
Request Pre-Proposal Conference link **by 12:00 pm**	May 4, 2026
Pre-Proposal Conference at **11:00 am virtual**	May 5, 2026
Deadline for questions for this RFQ/P at **5:00 pm**	May 26, 2026
Answers posted on County Website/Addenda Issued	May 29, 2026
SOQ and Proposal Submission Deadline by **4:00pm**	June 4, 2026
County reviews SOQs and informs top firms of any interviews	June 5-9, 2026
Interview Sessions	June 10-12, 2026
County releases Intent to Award Notice	June 12, 2026
Contract Award by Board of Supervisors	July 14, 2026
NTP date for CM	July 15, 2026

Overall Project Milestones:

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PHASE	DESCRIPTION OF ACTIVITY	TIMELINE
1	Design Build Entity Solicitation, SOQ scoring, Shortlist and Interviews	June – October 2026
2	DBE Selection and procurement	October – November 2026
3	DBE Contract Award at Board of Supervisors	November 2026
4	DBE Notice to Proceed (NTP)	November 2026
5	DBE Design, Construction, Close-out Phase	December 2026 – May 2029
6	Occupancy	May 15, 2029

6. PRE-PROPOSAL CONFERENCE / VENDOR REGISTRATION

An virtual, pre-proposal conference will be scheduled for **the time and date noted in Section 5 PROJECT SCHEDULE .**

Please submit a request to attend the Pre-Proposal Conference via "[View/Ask Questions]" in Public Purchase by 12pm PT May 4, 2026 with the following information:

- "I, **[NAME OF RQUESTOR]**, a representative for **[FIRM NAME]** is interested in attending the Pre-Proposal Conference for the RFQ/P for Construction Management Services for the North County Crisis Residential Treatment Facility Project.

  Send the virtual link to **[REQUESTOR EMAIL ADDRESS]**. Thank you."

The link to the Pre-Proposal Conference will be distributed to all firms who requested a link by 5pm PT on May 4, 2026.

Interested firms will have the opportunity to ask questions regarding the requirements outlined in this RFQ/P. To make the meeting more effective for all participants, attendees should read this document thoroughly prior to the meeting. As similar to all written questions from consultants, the County will prepare minutes of the conference and provide answers to all inquiries in writing, which will be distributed via Public Purchase.

All Proposers are requested to register with the County's Purchasing Division Public Purchase proposal platform prior to submittal. Proof of registration with the Department of Industrial Relations (DIR) is required as part of each proposal submitted in response to this RFQ/P if applicable.

7. PROPOSAL QUESTIONS

This RFQ/P establishes the scope of work for the professional services needed, and provides prospective Proposers with sufficient information to enable them to provide an acceptable response to this RFQ/P.

Any questions shall be submitted in writing via the Public Purchase website and must be received no later than **the time and date noted in Section 5 PROJECT SCHEDULE.** For questions and inquiries regarding this RFQ/P submitted via Public Purchase, please reference "QUESTION – CM RFQ/P #25XXX…" in the subject

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line.

Answers will be provided as a general RFI response, which may also result in an addendum to this RFQ/P, and will be posted on Public Purchase. It is the responsibility of each Proposer to inquire as to the existence and content of addenda and to acknowledge each as part of their Proposal.

Do not contact County departments or County staff directly. Information obtained through sources other than Public Purchase may be invalid and proposals which are submitted in accordance with such information may be declared non-responsive.

In the event that it becomes necessary to revise any part of this RFQ/P, written addenda will be issued. Any amendment to this RFQ/P is valid only if in writing and issued by the County's Capital Projects Division. Verbal conversations or agreements with any officer, agent, or employee of County that modify any terms or obligations of this RFQ/P are invalid.

All addenda for this RFQ/P will be distributed via Public Purchase.

8. INSTRUCTIONS FOR PROPOSERS

Each Proposal must include the information specified in this Section 8. Failure to include all such specified information may be cause for rejection of such proposal. Additional information may be provided, but should be succinct and relevant to the goals of this RFQ/P. Excessive information will not be considered favorably.

General: The instructions below provide guidance for the preparation and submission of proposals. Their purpose is to establish the requirements, format, and content of proposals so that proposals are complete, contain all essential information, and can be evaluated fairly.

Submission and Content of Proposals: All proposals must be received by the proposal submission deadline as identified in Section 5, above, and submitted via Public Purchase.

Proposals shall be formatted so they can be printed in 8 ½" x 11" format; provided, however, that drawings may be formatted for 11" x 17" sizing. All documentation shall be in eleven (11) or twelve (12)-point font.

All cost proposals will be valid for ninety (90) days from final selection.

All proposals shall contain the following elements**, in the order presented below**. Proposals shall be divided into tabbed sections and should not exceed (30) thirty pages including Transmittal/Cover Letter.

1. Transmittal/Cover Letter (two pages, if necessary) with the following information:
    - Title of this RFQ/P.
    - Name and Mailing Address of Proposer (include physical location if mailing address is a P.O. Box).
    - Year the Proposer was established/formed.
    - Proposer entity type (e.g., limited liability company, limited partnership, corporation).

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- Proposer's organizational structure, its constituent parts and size variation of staff during the past five (5) years.

- Name, title, address, email and telephone number of Proposer contact person, including. Such Proposer contact person should be available by telephone or email to provide the location of the Proposer's office that will be responsible for this Project.

- A written statement by Proposer specifying, and requesting protection of, any proprietary Proposer information contained in the proposal, if necessary. The foregoing sentence notwithstanding, **all proposals may be considered public information**. Subsequent to selection of the CM, all or part of any proposal submitted in response to this RFQ/P may be released to any person or firm who may request it.

- Addenda Acknowledgement.

2. **Signatory Requirements:** (one page) In order to be considered by the County, the Cover Letter must be signed by duly authorized representative(s) of the Proposer empowered to legally bind such Proposer. **Further, the signing and submission of a Proposal shall indicate the agreement of such Proposer to adhere to the provisions of this RFP and a commitment to enter into a binding Contract** as follows:

- If the Proposer is a **partnership**, the submittal shall be signed in the firm name by a partner or the Attorney-In-Fact. If signed by the Attorney-In-Fact, there shall be attached to the proposal a Power-Of-Attorney evidencing authority to sign proposals, dated the same date as the proposal and executed by all partners of the firm.

- If the Proposer is a **corporation**, the submittal shall be in the full legal name of the corporation, as registered with the California Secretary of State to do business in California, by BOTH of the following officers of the corporation, with the full legal name and title of the office held by the person signing on behalf of the corporation: the chairperson of the board, the president, or any vice president, and the secretary, any assistant secretary, the chief financial officer, or any assistant treasurer of such corporation.

- If the Proposer is an **individual**, the proposal shall be signed in the name of the individual Proposer.

- If the Proposer is an **individual** doing business under a fictitious business name registered with the County of Santa Barbara, the proposal shall reflect such fictitious business name after the full legal name of the Proposer and "dba" or "doing business as".

- If the Proposer is a **Limited Liability Company,** the proposal shall be signed in the full legal name of the Limited Liability Company, as registered with the California Secretary of State to do business in California, by the Limited Liability Company's manager(s), if manager-managed, or member(s) duly authorized to legally bind the Limited Liability Company.

3. Qualifications (six pages): A synopsis of each of Proposer's proposed team member's qualifications and experience with public or government projects of similar type and size as described in this RFQ/P, including length of service with Proposer and resume. Include an organizational chart of the Proposer reflecting the proposed staff to be assigned to this Project.

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For all subconsultants to be used, provide each subconsultant's name, area of expertise, the name of each individual staff member to be assigned to this Project and their role on the team.

4. Experience of Proposer (six pages): A narrative of the Proposer's qualifying background and experience with public or government projects of similar type and size as described in this RFQ/P. Individual project descriptions, including scope, project budget and schedule are encouraged.

5. Proposed Work Plan, Schedule and Workload (four pages): Provide a work plan description addressing all scope of work tasks, along with a proposed schedule reflecting each task and its deliverables and identifying appropriate progress checkpoints along with draft or interim deliverables. Also provide a narrative of Proposer staffing size, current Proposer workload, and with consideration of the Proposer's current projects and commitments, affirm the Proposer's ability to perform the scope of work for the Project as described herein.

6. Resource Allocation and Responsibilities Matrix (seven pages): Include a resource allocation matrix of the CM's proposed project team including in rows a list of the tasks with descriptions for the project, including tasks identified in the scope of work and other tasks deemed necessary by the proposing CM, and in columns the name and number of hours proposed per task for each team member proposed to provide each type of service. In addition, summarize hours by phase per team member. In addition, assign responsibilities to the project team (Contractor, CM, County, A/E) for each task.

7. References for Past Performance (three pages): Provide a list of past performance and service. Include three (3) references for whom the Proposer has developed a comparable project. Include project name, contact person, title, address, telephone number, email address as well as the contact person's role in the project and which of the Proposer's staff participated and their roles. For each reference listed, submit a brief summary of the scope of the services provided.

8. Deliverables (one page): Describe Proposer's ability to provide deliverables in the required formats:

    a. CADD drawings in AutoCAD.

    b. 3D models in Revitt (version 2022).

    c. Word documents in Microsoft Word.

    d. Spreadsheets in Microsoft Excel.

    e. Schedules in Microsoft Project.

    f. PDF or Bluebeam Writer.

    g. Databases as necessary for compiling, storing and accessing the project records in a commonly available format.

    h. Web-based Project Management.

9. Cost Proposal (cost proposal not counted to page count limit): Provide a cost proposal (not to exceed) for all services to be delivered, including a breakdown of costs itemized for each Project phase as defined in the Scope of Work. This cost proposal shall encompass the complete proposed

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Project costs for meetings and Project expenses for reproduction, postage, mileage, travel time and all related miscellaneous expenses. The cost proposals shall break-out the cost for the temporary site office and differentiate if the office is on-site or adjacent (off-site). Also provide an hourly rate schedule for all assigned team members, including hourly rates for participation in public meetings. Cost proposal shall be utilized for unit price information at this stage, and thereafter to negotiate a contract for those services at a fair and reasonable fee with the best qualified firm. **The Cost Proposal shall be submitted in a separate file on Public Purchase. It shall be identified with the name of Proposer, the name of this Project, and labeled "Sealed Cost Proposal".**

10. Required Statements (one page for each statement, not counted towards page count limit): Include statements of assurance regarding the following requirements:

- Non-substitution for the designated members of the proposed staff members and subconsultants without the County's prior written approval in each instance.
- Non-conflict of interest.
- Non-collusion affidavit.
- Statement listing of litigation and/or claims related to past projects for the past ten (10) years.
- Ability to fulfill the indemnification and insurance requirements contained in Exhibit C of the Agreement, attached hereto and incorporated herein by reference. Please note that actual certificates of insurance are not required as part of your submittal.
- Proof of DIR Registration and County Vendor Registration.
- Retention of Proposal. All proposals will become the property of the County. Proposals shall not be returned to the Proposer.

9. EVALUATION PROCESS

Proposals will be evaluated by a selection committee, and the Proposers submitting the most highly rated proposals may be invited for interviews. The following evaluation criteria and rating schedule will be used to determine the Proposer that provides the best value. The County may consider other criteria it deems relevant.

	Evaluation Criteria	**Maximum Possible Points**
A.	**Completeness and Quality of SOQ Submission** Evaluation of the overall responsiveness and organization of the SOQ, including: • Completeness of the submission and adherence to all RFQ/P requirements and instructions. (4 Points Max) • Clarity, organization, and quality of written materials. (4 Points Max) • Demonstrated understanding of the requested scope of	15

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	services, including all phases of a Progressive Design-Build project. (4 Points Max) • Inclusion of all required information, forms, and supporting documentation. (3 Points Max)	
B.	**Personnel Experience and Qualifications** Evaluation of the proposed project team, including: • Qualifications, certifications, and relevant experience of key personnel assigned to the Project. (5 Points Max) • Experience of proposed staff on Progressive Design-Build or Design-Build projects of similar size, schedule, and budget. (5 Points Max) • Experience of key personnel in validation, design-phase coordination, cost estimating, and construction management. (5 Points Max) • Demonstrated ability of the team to successfully deliver comparable public agency projects. (5 Points Max) • Appropriateness of staffing plan relative to the Project scope and complexity. (5 Points Max)	25
C.	**Depth and Quality of Respondent's Performance** Evaluation of the firm's overall experience and past performance, including: • Relevant experience on projects of similar size, scope, complexity, and delivery method. (5 Points Max) • Demonstrated success in managing cost, schedule, quality, risk and stakeholder coordination. (5 Points Max) • Quality of client references and past client satisfaction. (5 Points Max) • History of minimizing change orders, avoiding claims, and successfully closing out projects. (5 Points Max) • Overall responsiveness and demonstrated commitment to client service. (5 Points Max)	25
D.	**Technical and Management Approach** Evaluation of the proposer's approach to delivering CM services, including: • Understanding of Progressive Design-Build delivery, including Phase 1 (Validation and Design) and Phase 2 (Final Design and Construction). (5 Points Max) • Proposed work plan, including approach to managing validation, design coordination, cost estimating, and construction oversight. (5 Points Max) • Approach to independent cost validation and review of DBE proposals, including pricing, contingencies, and assumptions. (3 Points Max)	25

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	• Approach to schedule development, phasing, and evaluation of early work packages. (3 Points Max) • Strategies for risk identification, mitigation, and issue resolution. (3 Points Max) • Proposed resource allocation, roles and responsibilities, and communication protocols. (3 Points Max) • Approach to coordination with County staff, stakeholders, and Authorities Having Jurisdiction (AHJs). (3 Points Max)	
E.	**Availability and Capacity** Evaluation of the proposer's ability to commit adequate resources, including: • Current and projected workload of the firm and proposed key personnel. (3 Points Max) • Availability and commitment of key staff for the duration of the Project, including all phases, and project is appropriately staffed. (4 Points Max) • Demonstrated capacity to meet the Project schedule and respond to project demands. (3 Points Max)	10
	TOTAL POSSIBLE POINTS	100

10. SELECTION PROCEDURE

County staff will open proposals following the submittal deadline. The only information that will be made available to the public at that time will be the names of the Proposers submitting proposals. The contents of all proposals, and any other medium which discloses any aspect of the proposal, shall be held in strictest confidence until the County releases a Notice of Intent to Award. Proposals will be reviewed for responsiveness. A selection committee will then evaluate proposals in accordance with the above criteria.

The Proposer(s) submitting the highest rated proposals may be invited for an interview. Interviews will be conducted in the County's sole discretion. County reserves the right to select the most qualified Proposer solely on the contents of such Proposer's proposal. If County chooses to interview a Proposer, such Proposer's proposed Project Manager shall represent such Proposer at such interview. After evaluation of all interviews, if any, the Committee will recommend the Proposer with the highest overall value, based on evaluation score and interview, for approval by the Board of Supervisors.

The County expects to enter into contract negotiations with the top-ranked Proposer, during which time the County and such Proposer will resolve any necessary issues that need to be addressed prior to entering into the Agreement. Upon successful completion of such negotiations and discussions, the County and the selected proposer shall enter into an agreement. If, in the sole judgment of the County, these negotiations are not successful, the County reserves the right to enter into negotiations with other proposers, proceeding in the order of their initial ranking.

County reserves the right to accept a proposal without further discussion of the proposal with the Proposer. Therefore, each Proposer should submit its proposal reflecting the terms most favorable to the

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County that such Proposer may propose.

County reserves the right to award a contract to the Proposer who, in the sole judgment of County, presents the most favorable response to this RFQ/P pursuant to the evaluation criteria indicated above.

County reserves the right to reject any or all proposals, to waive minor irregularities in proposals, and/or to negotiate minor deviations from the form of Agreement attached hereto.

In the case of differences between written words and figures in a proposal, the amount stated in written words shall govern. In the case of a difference in unit price versus the extended figure, the unit price shall govern. County shall be the sole judge of the materiality of any proposal defect or irregularity.

Failure to comply with any of the requirements contained herein may result in disqualification. It is the responsibility of all Proposers to read ALL sections of this RFQ/P prior to submitting a proposal.

11. ASSURANCE OF DESIGNATED PROJECT TEAM

The Proposer shall assure that the designated staff, including subconsultants, are used for the work described in this RFQ/P. Departure or reassignment of, or substitution for, any member of the proposed Project team or subconsultant(s) designated in the proposal are prohibited without the prior written approval of County in each instance.

12. GENERAL TERMS AND CONDITIONS

Standard Contract: Upon completion of the evaluation and recommendation for award, the selected Proposer will be required to execute a Form of Agreement attached hereto as Exhibit A and incorporated herein by reference ("Agreement"). Proposers are advised to carefully review the attached Agreement. Proposers should familiarize themselves with the Agreement and expect to execute the Agreement in the form attached hereto without any modifications or changes.

Non-Collusion: Proposers submitting proposals shall certify and warrant that their proposal is made without any previous understanding, agreement, or connection with any person, firm, corporation, or other entity submitting a separate proposal for the same Project, and is in all respects fair, without outside control, collusion, fraud or otherwise illegal action. This condition shall not apply to proposals which are submitted by Proposers who have partnered with others to submit a cooperative proposal that clearly identifies a primary Consultant and the associated sub-consultant.

Indemnification and Insurance Requirements: County's standard indemnification and insurance requirements are provided in Exhibit D of the Agreement, attached hereto and incorporated herein by reference.

13. REJECTION OF PROPOSALS

Prospective Proposers interested in being considered must submit a proposal in compliance with this notice. **Failure to comply with any of the requirements contained herein may result in disqualification.**

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It is the responsibility of all Proposers to read ALL sections of this RFQ/P prior to submitting a proposal.

Any waiver by County of an immaterial/minor deviation shall in no way modify the RFQ/P documents or excuse the Proposer from full compliance with the Agreement requirements if such Proposer is awarded the contract.

14. VALID OFFER

Cost proposals shall remain valid for ninety (90) days from the selection date. The County reserves the right to negotiate with the successful Proposer any additional terms or conditions not contained in their proposal which are in the best interest of the County or to otherwise revise the scope of this RFQ/P.

This RFQ/P does not constitute a contract or an offer of employment. The cost of preparing proposals shall be the obligation of the Proposer. All proposals, whether accepted or rejected, shall become the property of the County and will not be returned.

15. COUNTY'S RIGHTS

The County reserves the right to:

1. Request clarification of any proposal information.
2. Waive any irregularity or immaterial deviation in any proposal.
3. Not enter into any agreement.
4. Not select any Proposer.
5. Cancel this process at any time.
6. Amend this process at any time.
7. Interview Proposers prior to award.
8. To request additional information during an interview.

16. CONTRACT AWARD

It shall be recommended that the Proposer whose proposal best meets the needs of the County be awarded the contract pursuant to the Agreement. The County reserves the right to reject any or all proposals, and to solicit additional proposals if deemed in the best interest of the County to do so. The decision of the County Board of Supervisors shall be final in making such a determination.

The successful Proposer will receive written notification of the award, along with instructions for finalizing the Agreement and related documents.

Response and selection of a proposal will not necessarily result in a contract with the County of Santa

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Barbara. Proposal opening does not constitute awarding of a contract. Contract award is by action of the Santa Barbara County Board of Supervisors and is not in force until fully executed by Proposer and the Santa Barbara County Board of Supervisors.

17. CONFLICT OF INTEREST

Each Proposer warrants and covenants that no official or employee of the County, or any business entity in which an official of the County has an interest, has been employed or retained to solicit or aid in the procuring of the resulting Agreement, and that no such person will be employed in the performance of such Agreement without Proposer's prior written disclosure to the County of each such fact. Each Proposer's proposal shall contain a statement to the effect that such Proposer is not currently committed to another project that would constitute a conflict of interest with the Project defined in this RFQ/P.

18. PUBLIC RECORDS REQUEST

All proposals and materials submitted shall become property of the County and will not be returned. All responses, including the accepted proposal and any subsequent contract, become public records per the requirements of California Government Code Sections 6250 - 6270, "California Public Records Act". Proprietary material must be clearly marked as such. Pricing and service elements of the successful proposal are not considered proprietary information. Proposals of Proposers who designate any part of their proposal as confidential or proprietary without justification may be deemed unresponsive.

The County will treat all information submitted in a proposal as available for public inspection once the County has selected a CM. If a Proposer believes that such Proposer has a legally justifiable basis under the California Public Records Act (Government Section 6250 et. seq.) for protecting the confidentiality of any information contained within their proposal, such Proposer must specify all such information, together with the legal basis of their claim in such proposal and present such information separately as part of their proposal package.

Determinations regarding the validity of Proposer claims of confidentiality shall be made by the County in its sole discretion. If the County determines that information designed by a Proposer in its proposal as confidential or proprietary does not meet the criteria for confidentiality, such Proposer will be notified accordingly, and such information shall be considered public record.

Upon receipt of a request for disclosure pursuant to the California Public Records Act for information in a proposal that is marked as proprietary, County will notify such Proposer of the request for disclosure. Such Proposer shall have sole responsibility for the defense of its proprietary designation of such information. Failure to respond to such notice and enter into a written agreement duly executed by such Proposer and County providing for Proposer's defense and complete indemnification of, and reimbursement for all costs incurred by, the County in any action to compel the disclosure of such information, shall constitute a complete waiver of any confidentiality rights of such Proposer regarding the information designated by such Proposer as proprietary or confidential, and such information will be disclosed by County pursuant to applicable procedures under the California Public Records Act.

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19. BUSINESS LICENSE REQUIREMENT

It is unlawful for any person to furnish supplies or services, or transact any kind of business in the unincorporated territory of Santa Barbara County without possessing a County business license unless exempt under County Code Sec. 22-73. Contact the Tax Collector's Office at 105 East Anapamu Street, Santa Barbara, 93101, or phone (805) 568-2920, for further information. It is not a requirement to possess a County business license at the time of proposal submittal. Successful Proposers shall be required to possess a County business license upon award of Agreement.

20. DBE Obligation

Proposer agrees to ensure that that minority and women-owned business enterprises, as defined in 49 CFR Part 26 ("DBEs") have the maximum opportunity to participate in the performance of contracts and subcontracts financed in whole or in part funds provided under the Agreement. In this regard, Proposer and all subcontractors shall take all necessary and reasonable steps in accordance with 49 CFR Part 26 to ensure that DBEs have the maximum opportunity to compete for and perform contracts. Proposer and its subcontractors shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of the Agreement and contracts entered into in connection with the Agreement.

21. Title VI of the Civil Rights Act of 1964

Proposer agrees to comply with all the requirements imposed by Title VI of the Civil Rights Act of 1964 (49 USC 2000(d)).

22. Equal Employment Opportunity

In connection with the performance of this Agreement, Proposer shall not discriminate against any employee or applicant for employment because of race, color, age, creed, sex or national original. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

23. Americans With Disabilities Act (ADA) Provisions:

To comply with the nondiscrimination requirements of the Americans with Disabilities Act (ADA), it is the policy of the County to make every effort to ensure that its programs, activities and services are available to all persons, including persons with disabilities. For persons with a disability needing a reasonable modification to participate in the procurement process, or for persons having questions regarding reasonable modifications of the procurement process, you may contact the County representative listed in this RFQ/P. In order to ensure Proposer's proposal is in compliance with federal ADA guidelines, Proposers should review the federal ADA guidelines.

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24. Protest Procedures and Dispute Resolution Process:

1. Purpose and Applicability

The procedures described in this section have been established to ensure uniform, timely, and equitable consideration of all complaints received by the County concerning its procurement activities.

The following protest procedures shall be employed for procurements conducted by the County. Such protests shall be applicable only to procurements wherein the County requests bids, proposals, or offers for goods or services financed in whole or in part by public funds.

2. Definitions

The following definitions apply to terms used in this section:

1. Days: Unless otherwise specified, refers to County working days.
2. File or Submit: Refers to the date of receipt by the County.
3. Interested Party: All bidders or proposers involved in a County procurement. This may also include a subcontractor or supplier who shows substantial economic interest in a provision of the RFP, or in the interpretation of such provision.
4. Bid: Refers to and includes: i) the terms "offer" and "proposal" as employed in this document; ii) sealed bids; iii) competitive negotiation, and; iv) non-competitive negotiation.

3. Basis for Protest

If in the course of a procurement action an interested party has reason to believe that: a) free and open competition does not exist, or; b) the County solicitation documents contain restrictive specifications, such party may file a protest in accordance with the procedures described herein.

In addition to the above, protests may be filed based upon the following factual or alleged circumstances:

1. Violation of federal, state, or local law or regulation;
2. Sole source procurements;
3. Failure to adhere to evaluation criteria set forth in solicitation documents, or use of additional criteria not so published;
4. Changes to evaluation criteria made during the evaluation process;
5. Local or DBE preferences; or
6. Provision of inadequate time to prepare a proposal.

Protests of County procurements filed by interested parties shall be considered in two general categories: 1) those filed prior to contract award, and; 2) protests occurring after contract award.

4. Pre-Award Protests

The following procedures shall be followed for all protests filed prior to award of contract:

1. Protests must be filed no later than five (5) days prior to the date established in the solicitation for receipt of bids or proposals. Protest information requests and follow-up arguments that are submitted after the protest submission deadline, will not be considered to be part of the pre-award protest.
2. Protests must be submitted in writing to the attention of the Agency Contact Person. The written protests shall include:
    a. The name, address, and telephone number of the protestor;

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b. The title of the County solicitation;
c. A statement of the grounds for the protest, accompanied by all supporting documentation. All grounds must be fully supported with documentation; and,
d. The resolution sought from the County by the protestor.

3. The Agency Contact Person shall receive the protest and issue written notification to the protestor within (5) five days that the matter is undergoing review. The County may provide notice of the protest in writing to all known recipients of solicitation documents.
4. Procurement activity shall be suspended pending resolution of a protest unless one or more of the following conditions exists:
   a. The goods or services being procured are urgently required;
   b. Delivery or performance will be unduly delayed by failure to make an award promptly;
   c. Failure to make prompt award will result in termination of a critical County function or activity or otherwise cause undue harm to the County; or,
   d. The General Services Director prepares a written finding that such protest is clearly frivolous in nature, and therefore does not warrant a disruption of the procurement process.
5. The Agency Contact Person shall be responsible for making a written determination that circumstances require the County to proceed with procurement during a pending protest. Unless such determination is made, the procurement shall be suspended pending resolution of the protest. The Agency Contact Person may provide all parties known to have received solicitation documents notice of such suspension in writing.
6. All protests received within the specified period shall be examined by the Agency Contact Person, who shall evaluate the matter and, within seven (7) calendar days, forward a recommendation concerning its disposition to the General Services Director. No additional material shall be accepted for consideration during the protest review unless specifically requested in writing by the County.
7. If applicable, the Agency Contact Person may attempt to resolve the protest with the protestor. If after receipt of recommendations from the Agency Contact Person, the General Services Director elects to a) not attempt such resolution, or b) resolution is attempted but not achieved, the protesting parties may appeal to the Board after thirty
   (30) calendar days and within thirty-five (35) calendar days after receipt of the protest submittal. Failure to appeal to the Board shall be a waiver of any other rights under the County Protest Procedures. For these purposes, "resolution" shall mean the written withdrawal of a protest by the originating party.
8. The Board shall formally consider the protests at a public meeting within forty-five (45) calendar days after the date on which the matter was appealed to the Board, or at the next regularly scheduled Board meeting if exceeding the 45-day period. The Board may elect to appoint a subcommittee to review the protest and make a recommendation to the Board at the public meeting. Protesting parties shall be notified in writing of the date on which their matters shall be considered by the Board. Such parties shall be afforded an opportunity to present their case at the Board meeting.
9. The Board shall then make a formal decision on such protests at a public meeting. The decision of the Board, along with a formal record of the protest, shall become a matter of public record, and shall be considered final. The Agency Contact Person shall notify the protestor in writing of any protest decision made by the Board. Except under conditions described in item 4 above, such decision by the Board shall be made prior to award of any contract related to the subject procurement.

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10. Should the Board deny the protest, the County may proceed with the procurement process. If the decision of the Board is to uphold the protest, then the County shall proceed pursuant to Board direction.
11. No court shall maintain subject matter jurisdiction prior to completion of the administrative process described herein.

5. Post-Award Protests

Protests received after award of contract shall be considered only if received within five (5) days following the date on which the Board or General Services Director's award recommendation is made. Post-award protests received after that time shall not be considered. Protest information requests and follow-up arguments that are submitted after the protest submission deadline, will not be considered to be part of the protest by the County.

Post-award protests shall be processed in the same fashion as that employed for pre-award protests. However, the award shall remain valid and procurement activities shall continue unless the General Services Director determines in writing that suspension of such award is necessary pending protest resolution. In that event, the awardee shall be so notified in writing, and the Agency Contact Person shall effect an agreement with the Contractor for suspension of activity.

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EXHIBIT A

PROFESSIONAL SERVICES AGREEMENT

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PROFESSIONAL SERVICES AGREEMENT

Between

THE COUNTY OF SANTA BARBARA

And

{CONSULTANT}

For

{DESCRIPTION OF SERVICS (e.g. PROFESSIONAL ARCHITECTURAL AND ENGINEERING SERVICES, PROFESSIONAL CONSTRUCTION MANAGEMENT SERVICES)}
{PROJECT NAME}
{PROJECT LOCATION}

PROJECT NUMBER: {PROJECT NO.}

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END LIST OF EXHIBITS AND ATTACHEMENTS

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PROFESSIONAL SERVICES AGREEMENT

FOR

PROFESSIONAL {TYPE OF SERVICE} SERVICES

This Professional Services Agreement ("Agreement") is entered into by and between THE COUNTY OF SANTA BARBARA ("Owner" or "County") and {CONSULTANT NAME}, a {ENTITY TYPE} (e.g., corporation) and state of formation} ("Consultant" or "Contractor" and, together with County, collectively, the "Parties" and each individually a "Party").

PART 1 - RECITALS

1.01 WHEREAS, this Professional Services Agreement ("PSA" or "Agreement") sets forth the terms and conditions pursuant to which Consultant, as a professional, will provide professional planning consulting services to Owner in connection with {PROJECT TITLE} ("Project"); and

1.02 WHEREAS, Consultant was selected by means of the County's qualifications-based selection process, and represents itself as a professional having the requisite qualifications, licenses and agrees to perform the Services defined herein.

NOW, THEREFORE, Owner and Consultant agree as follows:

PART 2 - PROJECT AUTHORIZATION, TERM AND MAXIMUM COMPENSATION

2.01 Agreement For Services

A. This PSA sets forth the terms and conditions pursuant to which Consultant, as a professional, will provide services to the County as set forth herein ("Services").

2.02 Maximum Compensation

A. The sum of all payments made to Consultant pursuant to this PSA for the performance of the Services specified in the SOW and Attachment 1 shall not exceed [____] dollars ($NUMERIC VALUE) ("Base Contract Amount"). The sum of all payments made to Consultant for the performance of Supplemental Services performed pursuant to a duly executed Change Order in accordance with Part 10.03 below shall not exceed the Supplemental Services Amount set forth in Section 1.c of Exhibit C, attached hereto ("Supplemental Services Amount"). In no event shall the aggregate amount of all payments made by the County hereunder exceed the Maximum Compensation Limit specified in Section 1.d of Exhibit C, attached hereto ("Maximum Compensation Limit" or "MCL"). If Consultant performs services or incurs expenses beyond the Base Contract Amount before execution of a Change Order for Supplemental Services in accordance with Part 10.03, or in excess of the Maximum Compensation Limit, Consultant does so at Consultant's sole risk and expense.

2.03 Term

A. This PSA is effective as of first the date it is duly executed by both of the parties hereto, and shall remain in effect for a period of {NUMBER OF DAYS, MONTHS, OR YEARS} thereafter, unless earlier terminated in accordance with the provisions of this Agreement ("Term").

2.04 Scope

A. The services ("Services") and deliverables ("Deliverables") described in "Consultant's Scope of Work & Hourly Rates," attached hereto as Exhibit A and Attachment 1 and incorporated herein by reference (Exhibit A and Attachment 1, collectively, the "SOW"), establish the extent of the

Services and Deliverables that may be authorized by the Owner's Project Manager ("OPM") hereunder.

PART 3 - OWNER'S RESPONSIBILITIES

3.01 Owner Provided Information

A. If required and where available, Owner may provide any of the following for Consultant's use in connection with the Services:

(i) Specialized studies of existing site conditions, including the presence of hazardous materials, soil, air, water, pollution, etc.

B. Consultant must make a written recommendation to the Owner regarding the completeness or sufficiency of any survey or specialized study provided to Consultant, or the need for any study or survey that the Consultant believes is required for the Project that is not included within Consultant's Services.

3.02 Approval & Permit Fees

A. Owner will pay all fees required by any jurisdiction having authority over the Project for filing and checking of any filing prepared by Consultant that is required for the performance of the Services, and such standard fees as are charged any governmental Agency for the issuance of approvals and permits by such governmental agency necessary for the performance of the Services.

PART 4 - PROJECT SCOPE OF WORK (SOW)

4.01 Changes in Scope

A. If Owner causes a change in the Service(s) or Deliverable(s) that Consultant believes to be material, Consultant must, within fourteen (14) calendar Days of the event that caused such change, notify Owner in writing that Consultant contends Owner has caused a material change in the Service(s) or Deliverable(s). If written notice is not given to Owner within such 14-day period, such change shall be deemed immaterial, and Consultant shall not be entitled to additional compensation for such change. If the Director of the County's General Services Department ("Director"), or his Assistant Director designee, concurs that there has been a material change in Service(s) or Deliverable(s) required by Owner hereunder, payment to Consultant may be adjusted pursuant to a Change Order for Supplemental Services duly executed by both of the parties hereto in accordance with Parts 10.01.A.3, and 10.03, below; provided, however, that Consultant shall not be entitled to any Supplemental Services Amount unless and until memorialized in a duly executed Change Order, and in no event shall the aggregate amount of payments to Consultant hereunder exceed the MCL.

B. If Consultant contends that there is a material increase in the Service(s) or Deliverable(s) required to complete the Services and requests additional compensation hereunder for the performance of such Supplemental Services, and such increase is not in any way attributable to any act or omission of, or on behalf of, Consultant or any Subconsultant, including, but not limited to, faulty or inaccurate calculations or estimations made by or on behalf of Consultant, and the Director, or his Assistant Director designee, concurs that there has been a material change in Service(s) or Deliverable(s) required by Owner hereunder, payment to Consultant hereunder may be adjusted pursuant to a Change Order for Supplemental Services duly executed by both of the parties hereto in accordance with Parts 10.01.A.3 and 10.03, below; provided, however, that Consultant shall not be entitled to any Supplemental Services Amount unless and until memorialized in a duly executed Change Order, and in no event shall the aggregate amount of payments to Consultant hereunder exceed the MCL. OPM may request, and Consultant, pursuant to such request, shall provide, assistance in re-allocating the remaining available funds available hereunder. Such assistance must, if requested by OPM,

also include a determination of any other Supplemental Services necessary to complete the Project.

C. If there is a material decrease in the Services or Deliverables required to complete the Services, Consultant If shall immediately notify OPM of such decrease, and agrees to accept a reasonable corresponding reduction in compensation hereunder.

PART 5 - CONSULTANT'S RESPONSIBILITIES, SERVICES, AND DELIVERABLES

5.01 Consultant as Independent Contractor

A. Consultant is performing all Services as an independent contractor, and not as an agent or employee of County.

5.02 No Assignment; Consultant's Use of Subconsultants

A. The expertise and experience of Consultant are material considerations for County's execution of this Agreement. Consultant shall not assign, delegate, or transfer, directly or indirectly, whether by operation of law or otherwise, this PSA or any of Consultant's rights or obligations hereunder, without the prior written consent of County in each instance, and any attempt to so assign, delegate, or transfer this Agreement, or any rights, duties or obligations arising hereunder, shall be void and of no effect. Notwithstanding the foregoing, Consultant may use the subconsultants set forth in Exhibit B, attached hereto and incorporated herein by reference ("Subconsultants"), in performing the Services under this Agreement. Consultant shall be responsible for directing the work of authorized Subconsultants, and for all compensation and benefits due to Subconsultants, if any. County assumes no responsibility whatsoever concerning such compensation or benefits. Consultant shall not engage any subconsultant(s) in the performance of Services, other than the Subconsultants identified in Exhibit B, without the prior written approval of the OPM in each instance.

5.03 Consultant's General Responsibilities

The following General Responsibilities shall apply to all Services under this Agreement.

A. Standard of Care

1. Consultant shall perform all Services in accordance with those standards of care that are generally recognized as being used by competent persons in Consultant's profession and area of specialty in the State of California.

2. At all times during the Term, Consultant shall ensure the performance of all Services in compliance with all applicable federal, state, and local codes, statutes, laws, regulations and ordinances ("Applicable Laws").

3. Consultant shall use its professional judgment and expertise to verify interpretations of Applicable Laws from the appropriate government agency(ies) and authorities having jurisdiction over the Project. Such efforts shall be undertaken in accordance with the Standard of Care.

B. Funding by Governmental Agencies

1. If the Project is to be constructed, wholly or in part, with funds from Federal, State, or other outside funding sources, Consultant shall comply with all requirements of all such Federal, State, and outside funding sources.

C. HCAI (formally known as OSHPD) Jurisdiction

1. If the Project is within the jurisdiction of the State of California, Department of Health Access and Information ("HCAI" formally known as OSHPD), Consultant's Deliverables and performance of Service must meet all HCAI requirements.

D. Sequence of Consultant's Services

1. Consultant's Services shall proceed sequentially as described in the SOW unless otherwise agreed or directed by the Owner via a duly executed Change Order.
2. The Milestone Schedule for completion of the Consultant's Services is set forth in the SOW.

E. Submittal of Deliverables

1. Each submittal of a Deliverable by Consultant to Owner hereunder shall include a declaration statement, signed by a duly authorized officer of Consultant, that Consultant coordinated the work of Consultant and its Subconsultants, that such Deliverable is accurate and complete, and that all of Owner's prior review comments have been incorporated therein.
2. Consultant shall furnish to Owner, in form and format suitable for reproduction, original reproducible files and other instruments of Service, and computer flash drives containing each submittal to County hereunder in the following electronic formats: Microsoft PC compatible operating system, AutoCAD 2004 or newer, Microsoft Office 2003 or newer.

F. Printing & Reproduction

1. Consultant shall pay for all printing and reproduction cost incurred in the performance of the Services.
2. Owner will print coordination check documents to be used by the Owner beyond the number of copies identified in the SOW at Owner's expense.
3. If applicable to this PSA, Owner will print Bid Documents for distribution to Bidders at Owner's expense.

G. Meetings

1. Required meetings are as specifically identified in the SOW.
2. Unless otherwise requested by the OPM, Consultant shall prepare agendas for and take minutes of all meetings conducted or attended by Consultant in connection with the performance of Services hereunder. This includes meetings that are chaired by the OPM.
3. The Consultant's compensation for attendance at and preparation of minutes for all such meetings is included in Base Contract Amount.

H. Consultant's Staff and Subconsultants

1. Consultant's staff and Subconsultants are identified in Exhibit B, and are subject to the requirements set forth therein.
2. Changes to Consultant's staff and Subconsultants are subject to Owner's prior written approval via a duly executed Change Order.

5.04 Basic Services & Deliverables: See Exhibit A

PART 6 - CONSULTANT'S SCHEDULE

6.01 Schedule

A. Consultant shall promptly perform all Services and Deliverables in accordance with the Project schedule approved by the County.

B. Consultant shall perform all Services and Deliverables within the time and Project schedule set forth in this Agreement. Time is of the essence in this Agreement.

C. Consultant shall provide and maintain Project staffing levels as necessary to perform the Services within the time provided in the Project schedule set forth in this Agreement.

PART 7 - INDEMNIFICATION & INSURANCE

7.01 Exhibit D Indemnification and Insurance Requirements

A. Consultant shall comply with all indemnification and insurance requirements set forth in Exhibit D, attached hereto and incorporated herein by reference.

PART 8 - REPRESENTATION BY COUNSEL

A. Both parties to this PSA were represented by counsel in the negotiation and execution of this PSA.

B. The parties hereto are aware of the provisions set forth in California Civil Code §1717 and intend this paragraph of the PSA to meet said statutory requirements so that the reference to attorneys' fees in Part 7, "Indemnification & Insurance" applies only in the indemnification context in Part 7, "Indemnification & Insurance."

PART 9 - HAZARDOUS MATERIALS

9.01 Responsibility for Hazardous Materials

A. Owner acknowledges that Consultant has no special knowledge or expertise regarding asbestos or other hazardous materials.

B. Unless otherwise provided in this PSA, or unless Owner has provided documented information to Consultant regarding the presence or potential presence of such hazardous materials Consultant and its Subconsultants have no responsibility for the discovery, presence, handling, removal or disposal of, or exposure of persons to, hazardous materials in any form at the Project site, including but not limited to asbestos, asbestos products, polychlorinated biphenyl (PCB) or any other toxic substance.

PART 10 - COMPENSATION & PAYMENT

10.01 Compensation

A. Payments will be made as set forth herein

1. Maximum Compensation Limit

   a. The Maximum Compensation Limit includes the maximum aggregate amount of compensation payable by the Owner to Consultant hereunder. Total payment by Owner to Consultant shall not exceed the Maximum Compensation Limit specified in Exhibit C, attached hereto and incorporated herein by reference. Consultant is fully responsible for the provision of all Services and Deliverables, compensation for which shall not exceed the MCL.

2. Consultant's Compensation Schedule

   a. Compensation payable to Consultant hereunder for Consultant's performance of the Services comprising {describe tasks/milestones} as set forth in the SOW shall be on a fixed fee basis upon completion of each such {Task/Milestone}, and in the respective amounts for each such {Task/Milestone} as set forth in the SOW.

   b. Consultant's Hourly Rate Schedule, applicable to Supplemental Services, is set forth in the SOW.

3. Changes

   a. During the Term of this PSA, the Owner may authorize changes to this PSA, other than by amending this PSA in accordance with Part 15.B., below, only in

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accordance with Part 4.01, above, and Part 10.03, below, and only to the extent authorized by the Board of Supervisors in approving this PSA.

4. Prevailing Wages

   a. Certain Services to be performed under this contract may be considered "public works" subject to prevailing wage, apprenticeship and other labor requirements of Labor Code division 2, part 7, chapter 1, section 1720 et seq. Such public works may include work performed during the design and preconstruction phases of construction including, but not limited to, inspection and land surveying work. Consultant is solely responsible for determining whether the Services, or any portion thereof, is subject to said requirements, and for complying with all such requirements that apply. All such public works projects are subject to compliance monitoring by the California Department of Industrial Relations (DIR). County has obtained from the DIR general prevailing wage determinations for the locality in which the Work is to be performed that are on file with County's Public Works Agency and are available upon request. Consultant is responsible for posting job site notices as prescribed by regulation pursuant to Labor Code section 1771.4(a)(2). Consultant acknowledges that it is aware of state and federal prevailing wage and related requirements and shall comply with these requirements to the extent applicable to the Services, including, without limitation, Labor Code sections 1771 (payment of prevailing wage), 1771.1 (registration with DIR) and 1771.4 (submission of certified payrolls to Labor Commissioner) Consultant has included (and shall include) consideration for this obligation in calculating compensation and cost estimates under this PSA.

5. Errors and Omissions

   a. Consultant must correct all errors and omissions attributable to acts and/or omissions of and/or on behalf of Consultant and/or Subconsultants without cost to Owner.

   b. Owner has the right to pursue claims for any negligent errors and omissions of or on behalf of Consultant and/or Subconsultant(s).

10.02 Reimbursable Expenses

A. When travel is authorized as a reimbursable expense, Consultant agrees to comply with the Santa Barbara County and Federal travel policies and guidelines, where applicable, for all travel, lodging and meal reimbursements arising from the performance of this Agreement. Detailed travel policy requirements and limitations can be found in the Capital Projects Division.

B. All reimbursable expenses hereunder, including travel, mileage, copying, printing, plotting, And visualizations are included in the Base Contract Amount and shall not be invoiced more often than monthly.

10.03 Supplemental Services & Deliverables

A. To the extent that County has established a Supplemental Services Allowance ("SSA") for the performance of services not included within the Services and Deliverables, such SSA is set forth in Section 1.c of Exhibit C. Consultant shall only commence work other than as set forth in the SOW pursuant to a Change Order duly executed by the Director or his Assistant Director designee ("Change Order"), and only to the extent expressly authorized by the County Board of Supervisors in approving this PSA.

10.04 Payment

A. Payment Requests

   1. Owner will make payments within thirty (30) Days after the OPM's approval of the Consultant's correct Payment Request.

B. Invoices

1. Consultant may submit a Payment Request not more than once each month.

C. Progress Payments

1. Owner may, in its discretion, adjust any progress payment so that it corresponds with the percentage of completion as reasonably determined by Owner.

10.05 Release of All Claims

A. Prior to final payment hereunder, Consultant must execute and deliver to Owner a release of all claims arising from this Agreement, other than such claims, if any, as may be specifically excepted from the release for the reasons and in the amounts stated in the release.-

10.06 Timely Billings

A. Consultant agrees to bill Owner on a timely basis and not later than ninety (90) Days after:

1. Services are performed; or

2. Billings are otherwise due pursuant to the terms of the PSA.

B. Owner has no liability for payment of, and has sole discretion to pay or decline payment of, any billings submitted after the expiration of such ninety (90) Day period.

10.07 Consultant's Accounting Records

A. Accounting System & Records Retention

1. Consultant must maintain an accounting system in accordance with current standards of accounting and financial reporting for the purpose of supporting payments for Services authorized under this PSA. Consultant must retain such records for three (3) years after expiration or termination of this PSA, or until all claims, if any, have been disposed of, whichever period is longer.

B. Owner's Auditing Rights

1. Upon service of a written Notice to Consultant, Owner, and persons authorized by Owner, have the right at any reasonable time and place to examine, audit, and make copies of books, records, documents, accounting procedures and practices relating to the performance or administration of this PSA, or affecting any changes or modifications to this PSA.

C. Applicability to Subcontracts

1. Consultant must incorporate the above-stated accounting and audit requirements into all subcontracts, including, but not limited to, contracts with Subconsultants, exceeding Ten Thousand Dollars ($10,000) in value in connection with this PSA, including any modification(s) thereof.

PART 11 - TERM & TERMINATION

11.01 Owner's Rights

A. Termination for Convenience

1. The Director may, by written notice to Consultant, terminate all or part of this PSA at any time for Owner's convenience. Upon receipt of such notice, Consultant must immediately cease all work hereunder as specified in the notice.

2. If this PSA is so terminated, Consultant will be compensated as set forth below.

B. Termination for Breach

1. If Consultant violates any of the covenants or agreements of this PSA, or if Consultant fails to fulfill in a timely and proper manner its obligations pursuant to this PSA, and does not cure such failure or violation within thirty (30) days, or such shorter period as the Owner

may determine is necessary and appropriate, after receipt of written notice from the County's OPM specifying such failure or violation, whether subject to cure, and, if subject to cure, the time and manner of cure, Owner may terminate this PSA in accordance with Part 11.01.A.1, above.

2. Owner will provide Consultant with written notice as to the effective date of termination, and Consultant is not entitled to compensation for Services or expenses beyond the specified termination date.

3. If, after notice of termination for breach of this PSA, it is determined that Consultant did not breach this PSA, the termination will be deemed to have been made for Owner's convenience, and Consultant will receive payment due to Consultant for Services performed prior to such termination for convenience in accordance with Section 11.02, below.

C. Suspension for Convenience

1. OPM may, without cause, order Consultant in writing to suspend, delay, or interrupt the Services under this PSA in whole or in part for up to 90 days. COUNTY shall incur no liability for suspension under this provision, and such suspension(s) shall not constitute a breach of this Agreement.

D. The rights and remedies provided herein to Owner are cumulative and in addition to any other rights and remedies provided by law in this PSA.

11.02 Consultant's Compensation Upon Termination

A. In the event of Owner's termination of this PSA, Consultant will receive compensation as follows:

1. For fully Deliverables and Services performed and delivered by Consultant and accepted by County, and authorized Reimbursable Expenses pursuant to this PSA, compensation will be in the amount specified in the PSA for such Deliverables, Services, and authorized expenses.

2. For items of Service on which Owner has issued an Authorization to Proceed but which have not been fully completed and accepted, Consultant will be compensated for its Services accepted by Owner in an amount which bears the same ratio to the total fee otherwise payable for the performance of that Service as the Services performed bear to the total Services necessary for the full performance of that Service.

B. In no event will the total compensation paid for any item of Service exceed the value specified in this PSA for such item of Service.

11.03 Delivery of Documents

A. Upon any termination of this PSA, Consultant shall furnish Owner all documents and Instruments of Service prepared pursuant to this PSA, whether complete or incomplete. Consultant may retain a copy for its records if so provided by Owner in such notice of termination.

PART 12 - DISPUTE RESOLUTION

12.01 Consultant's Questions & Concerns

A. Questions regarding the terms, conditions and Services of this PSA will be decided by the County's Director of General Services, who will furnish the decisions to Consultant in writing within thirty (30) Days after receiving a written request from Consultant.

12.02 Dispute Resolution During Construction

A. Alternate Dispute Resolution (ADR)

1. Owner intends, but shall not be required, to use ADR techniques including Partnering and Mediation during Design.

B. Consultant and its Subconsultants shall participate in all ADR efforts as directed by Owner.

C. In the event that Owner elects to utilize such ADR, the cost of such Partnering training facilities and facilitator will be borne equally by the parties hereto.

12.03 Negotiations Before and During Mediation

A. Negotiations to resolve disputes before and during Mediation are initiated for settlement purposes only and are not binding unless otherwise agreed by Owner and Consultant.

12.04 Mediation

A. Voluntary Mediation

1. In the event a dispute or issue is not resolved by negotiation, Owner and Consultant agree to attempt to resolve the matter by Mediation.

2. Said Mediation is non-binding, and intended to provide an opportunity for the parties hereto to evaluate each other's cases and arrive at a mutually agreeable solution.

B. Initiation of Mediation

1. Any party hereto may initiate Mediation by notifying the other party hereto in writing.

C. Request for Mediation

1. A Request for Mediation must contain a brief statement of the nature of the dispute or claim, and the names, addresses, and phone numbers of all parties to the dispute or claim, and those who will represent them, if any, in the Mediation.

2. Within ten (10) days of a Party's receipt of a Request for Mediation, the Party in receipt of such Request for Mediation shall provide to the requesting Party a written response indicating whether the receiving Party is willing to participate in voluntary, non-binding mediation with respect to such dispute or claim.

D. Selection of Mediator

1. Within fourteen (14) days of a Party's written response to a Request for Mediation indicating that such Party is willing to participate in meditation with respect to the dispute or claim at issue, the Parties hereto will confer to select an appropriate mediator agreeable to all Parties.

2. If the Parties hereto cannot agree on a mediator, they may accept a mediator appointed by a recognized association such as the American Arbitration Association.

E. Qualifications of a Mediator:

1. Any mediator selected hereunder ("Mediator") must have expertise in the area of the dispute and be knowledgeable in the Mediation process.

2. No person shall serve as a Mediator in any dispute in which that person has any financial or personal interest in the result of the Mediation.

3. Before accepting an appointment, the prospective Mediator must disclose any circumstances likely to create a presumption of bias or prevent a prompt meeting with the parties. Upon receipt of such information, the Parties will confer and decide whether to select another Mediator.

F. Vacancies

1. If any Mediator becomes unwilling or unable to serve, another Mediator will be selected unless the Parties agree otherwise.

G. Representation

1. Any Party may be represented in the Mediation by person(s) of their choice who must have full authority to negotiate.
2. The names and addresses of such representative(s) must be communicated in writing to all Parties and to the Mediator.

H. Time and Place of Mediation

1. The Mediator will set the time of each Mediation session.
2. The Mediation will be held at a convenient location agreeable to the Mediator and the Parties, as determined by the Mediator.
3. All reasonable efforts will be made by the parties hereto and the Mediator to schedule the first session within sixty (60) Days after selection of the Mediator.

I. Identification of Matters in Dispute

1. Unless a longer period of time is required by the Mediator, at least ten (10) days before the first scheduled Mediation session, each Party must provide the Mediator a brief memorandum setting forth such Party's position with regard to the issues identified in the Request for Mediation, and any other pertinent issues that such Party believes need to be resolved. At the discretion of the Mediator, or otherwise agreed by the Parties, the Parties hereto may mutually exchange such memoranda.
2. At the first Mediation session, the Parties will be expected to produce all information reasonably required for the Mediator to understand the issue(s) presented. The Mediator may require each Party to supplement such information.

J. Authority of Mediator

1. The Mediator does not have authority to impose a settlement on the Parties, but will attempt to assist the parties hereto in reaching a satisfactory resolution of their dispute.
2. The Mediator is authorized to conduct joint and separate meetings with the Parties, and to make oral and written recommendations for settlement.
3. Whenever necessary, the Mediator may also obtain expert advice concerning technical aspects of the dispute, provided that the Parties agree in writing in advance to such outside expert advice, to assume the expenses of obtaining such expert advice, and whether the arrangements for obtaining such expert advice will be made by the Mediator or one or more of the Parties.
4. The Mediator is authorized to end the Mediation whenever, in the Mediator's judgment, further Mediation efforts would not contribute to a resolution of the dispute between the Parties.

K. Privacy

1. Mediation sessions are private.
2. The Parties and their representatives may attend Mediation sessions.
3. Other persons may attend Mediation sessions only with the prior written consent of each of the Parties , and with the consent of the Mediator.

L. Confidentiality

1. The Mediator will not divulge confidential information disclosed to a Mediator by the Parties or by witnesses in the course of the Mediation.
2. All records, reports, or other documents received by a Mediator while serving as Mediator, are confidential.
3. The Mediator must not be compelled to divulge such records or to testify in regard to the Mediation in any adversary proceeding or judicial forum.

4. The Parties shall maintain the confidentiality of the Mediation and shall not rely on, or introduce as evidence in any arbitration, judicial or other proceedings:
    a. Views expressed or suggestions made by the other Party with respect to a possible settlement of the dispute;
    b. Statements made by the other Party in the course of the Mediation proceedings;
    c. Proposals made or views expressed by the Mediator;
    d. Whether the other Party had or had not indicted willingness to accept a proposal for settlement made by the Mediator.

M. No Stenographic Record

1. There shall be no stenographic record of the Mediation.

N. Termination of Mediation

1. The Mediation shall be terminated:
    a. By the execution of a Settlement Agreement by the Parties with respect to the issues subject to the Mediation;
    b. By a written declaration of the Mediator to the effect that further efforts at Mediation are no longer worthwhile; or
    c. By a written declaration of one or more of the Parties to the effect that the Mediation proceedings are terminated.

O. Exclusion of Liability

1. No Mediator shall be a necessary party in judicial proceedings related to the Mediation.

P. Interpretation and Application of These Mediation Provisions

1. The Mediator will interpret and apply these Mediation provisions insofar as they relate to the Mediator's duties and responsibility.

Q. Expenses

1. The expenses of witnesses for each Party must be paid by the Party producing such witnesses.
2. All other expenses of the Mediation, including required traveling and other expenses of the Mediator, and the expenses of any witness called by the Mediator, and the cost of any proofs or expert advice produced at the direct request of the Mediator, will be apportioned equally between the Parties, or as may otherwise be agreed by the Parties, provided, however, that a Party shall not be responsible for any such Mediation expense to which such Party did not consent in advance in writing.

12.05 Compensation for Participation in Mediation

A. Consultant is not entitled to compensation for time spent in or for negotiations or Mediation to resolve questions or disputes between Consultant and Owner arising out of this PSA.

PART 13 - MISCELLANEOUS PROVISIONS

13.01 Capitalization and Formatting

A. Terms capitalized in this PSA include those that are:

1. Specifically defined; or
2. Titles of Parts or paragraphs; or
3. Titles of reports or Deliverables; or
4. Titles of other documents.

B. Unless otherwise indicated, highlighted, **emboldened**, *italicized*, or underlined text is not indented to imply special significance but serves merely as an aid to the reader to distinguish or quickly reference selected text.

C. Text shown with Strike Through font is meant to, and does, exclude such text from the PSA. It is shown as such merely for the convenience of the Owner.

D. The captions of the Parts and paragraphs are for convenience only and will not be deemed relevant in resolving any question of interpretation or construction of any such Part or paragraph.

13.02 Force Majeure

A. Neither party hereto shall be liable to the other Party hereto for damages or delay in performance caused by events beyond the control of such Party or such Party's employees, agents, affiliates, officers, directors, Subconsultants, or representatives, provided that (i) such events are not in any way attributable to any act or omission by or on behalf of such Party or any of such Party's employees, agents, affiliates, officers, directors, Subconsultants, or representatives, and (ii) the Party claiming such delay promptly provides written notice to the other Party specifying the cause and a good faith estimate of the duration of such delay("Force Majeure Notice"), and (iii) such Party cures such delay and resumes performance hereunder as soon as practicable under the circumstances. Except for those commitments identified in the Force Majeure Notice, the affected Party shall not be relieved of its responsibility to fully perform as to all other obligations of such Party under this Agreement. Notwithstanding the foregoing, if such Force Majeure event continues for a period of more than 90 days from the date of such Force Majeure Notice, the County shall be entitled, in its sole discretion, to immediately terminate this Agreement upon written notice to Consultant.

13.03 Waiver

A. In the event any provision of this PSA is held to be invalid and unenforceable by a court of competent jurisdiction, the remaining provisions shall be valid and binding on the Parties.

B. One or more waivers by either Party of any provision, term, condition or covenant shall not constitute a waiver of any subsequent breach.

13.04 Timely Approvals

A. Whenever the approval of Owner or Consultant is required pursuant to this PSA, such approval shall not be unreasonably withheld or delayed.

13.05 Ownership & Use of Deliverables and Instruments of Service

A. Owner shall be the owner of the following items in connection with this Agreement upon creation, whether or not completed: all data collected, all documents of any type whatsoever, all photos, designs, sound or audiovisual recordings, software code, inventions, technologies, and other materials, and any material necessary for the practical use of such items, from the time of collection and/or production whether or not performance under this Agreement is completed or terminated prior to completion. Consultant shall not release any of such items to any other person except after prior written approval of Owner.
Unless otherwise specified herein, Consultant hereby assigns to Owner all copyright, patent, and other intellectual property and proprietary rights to all data, documents, reports, photos, designs, sound or audiovisual recordings, software code, inventions, technologies, and other materials prepared or provided by Consultant pursuant to this PSA (collectively referred to as "Copyrightable Work and Inventions"). Owner shall have the unrestricted authority to copy, adapt, perform, display, publish, disclose, distribute, create derivative works from, and otherwise use in whole or in part, any Copyrightable Works and Inventions and all Deliverables provided to County hereunder. Consultant agrees to take such actions and execute and deliver such documents as may be needed to validate, protect and confirm the rights and assignments provided hereunder, including all licenses and permissions as may be necessary for County to use all Deliverables produced by Consultant hereunder. Consultant warrants that no Copyrightable Works and Inventions or any other item provided under this Agreement will

infringe upon any intellectual property or proprietary rights of any third party. Consultant at its own expense shall defend, indemnify, and hold harmless Owner against any claim that any Copyrightable Works and Inventions or other items provided by Consultant hereunder infringe upon intellectual or other proprietary rights of a third party, and Consultant shall pay all damages, costs, settlement amounts, and fees that may be incurred by Owner in connection with any such claims.

B. This Part 13.05 shall survive expiration or termination of this PSA.

C. Consultant is not entitled to any fees for Owner's use of any Deliverable or instrument of Service unless Owner enters into a separate agreement with Consultant specifically providing for such fees.

13.06 Reliance

A. Unless otherwise indicated, Consultant may rely on the accuracy and technical quality of documents provided by Owner or the Owner's authorized consultants.

13.07 Taxes

A. Consultant shall pay all taxes, levies, duties, and assessments of every nature due in connection with any work under this PSA and shall make any and all payroll deductions required by law. Owner shall not be responsible for paying any taxes on Consultant's behalf, and should Owner be required to do so by state, federal, or local taxing agencies, Consultant agrees to promptly reimburse Owner for the full value of such paid taxes plus interest and penalty, if any. Such taxes shall include, but not be limited to, the following: FICA (Social Security), unemployment insurance contributions, income tax, disability insurance, and workers' compensation insurance.

13.08 Conflicts of Interest

A. Consultant covenants that Consultant presently has no employment or interest, and shall not acquire any employment or interest, direct or indirect, including any interest in any business, property, or source of income, which would conflict in any manner or degree with the performance of services required to be performed under this PSA. Consultant further covenants that in the performance of this PSA, no person having any such interest shall be employed or otherwise engaged by Consultant or any Subconsultant. Consultant must promptly disclose to Owner, in writing, any potential conflict of interest. Owner retains the right to waive a conflict of interest disclosed by Consultant if Owner determines it to be immaterial, and such waiver is only effective if provided by Owner to Consultant in writing.

13.09 No Publicity or Endorsement

A. Consultant shall not use Owner's name or logo or any variation of such name or logo in any publicity, advertising or promotional materials. Consultant shall not use Owner's name or logo in any manner that would give the appearance that the Owner is endorsing Consultant. Consultant shall not in any way contract on behalf of or in the name of Owner. Consultant shall not release any informational pamphlets, notices, press releases, research reports, or similar public notices concerning the Owner or its projects, without obtaining the prior written approval of Owner.

13.10 Non-Discrimination

A. Owner hereby notifies Consultant that Owner's Unlawful Discrimination Ordinance (Article XIII of Chapter 2 of the Santa Barbara County Code) applies to this PSA and is incorporated herein by this reference with the same force and effect as if the ordinance were specifically set out herein and Consultant agrees to comply with said ordinance.

13.11 Execution in Counterparts

A. This PSA may be executed electronically and in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or

as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.

13.12 Governing Law

A. This PSA shall be governed by the laws of the State of California. Any litigation regarding this Agreement or its contents shall be filed in the County of Santa Barbara, if in state court, or in the federal district court nearest to Santa Barbara County, if in federal court.

PART 14 - NOTICES

A. All notices will be deemed to have been given when made in writing and delivered or mailed to the respective representative(s) of Owner and Consultant at their respective addresses as shown in Exhibit E ("Notices"), attached hereto and incorporated herein by reference.

PART 15 - LIMITS OF AGREEMENT

A. This PSA, including all Exhibits hereto, together with the Request for Qualifications and Proposals for Project {PROJECT NO.} pursuant to which this Agreement was procured and which is attached hereto as Attachment 1 and hereby incorporated herein by reference ("RFQ/P"), and Consultant's Proposal submitted to County in response to same, a copy of which is attached hereto as Attachment 2 ("Proposal"), constitutes the entire and integrated agreement between Owner and Consultant with respect to the subject matter hereof, and supersede all prior and contemporaneous negotiations, representations, or agreements, whether written or oral.

B. This PSA may be amended only by written agreement signed by Owner and Consultant, except as otherwise expressly authorized herein.

C. If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this PSA shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

D. No remedy herein conferred upon or reserved to Owner is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

PART 16 - ORDER OF PRECEDENCE

A. In the event of conflict or inconsistency between the provisions contained in Parts 1 through 18 of this Agreement and the provisions contained in the Exhibits and Attachments, the provisions contained in Parts 1 through 18 of this Agreement shall control and prevail over those in the Exhibits and Attachments, other than Exhibit D, which shall control and prevail. Consultant agrees that in the event of any discrepancy, inconsistency, gap, ambiguity, or conflicting language between Consultant's Proposal (attached hereto as Attachment 2), on the one hand, and any other provision(s) of this Agreement, on the other, the provisions of this Agreement (including the RFQ/P) other than Consultant's Proposal shall take precedence and control and prevail.

PART 17 - EXHIBITS

A. The following listed Exhibits and Attachments referred to herein are incorporated in this PSA as though set forth in full.

1. Exhibit A, "Consultant's Scope of Work & Hourly Rates"
2. Exhibit B, "Consultant's Staff & Subconsultants"

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3. Exhibit C, "Consultant's Compensation"
4. Exhibit D, "Indemnification And Insurance Requirements"
5. Exhibit E, "Notices"
6. Exhibit F, "Federal Provisions"
~~6.~~7. Attachment 1: RFQ/P
~~7.~~8. Attachment 2: Consultant's Proposal

[*Signatures appear on the following page.*]

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective as of the first date executed by all of the parties hereto.

County of Santa Barbara

By: _____
LAURA CAPPS, CHAIR
BOARD OF SUPERVISORS

ATTEST:
MONA MIYASATO,
COUNTY EXECUTIVE OFFICER
CLERK OF THE BOARD

By: _____
Deputy

CONSULTANT:
{CONSULTANT INFORMATION}

By: _____
Name:
Title:

APROVED AS TO FORM:
RACHEL VAN MULLEM
COUNTY COUNSEL

By: _____
Deputy County Counsel

APPROVED AS TO ACCOUNTING FORM:
BETSY SCHAFFER, CPA, CPFO
AUDITOR-CONTROLLER

By: _____
Deputy

APPROVED AS TO FORM:
GREGORY MILLIGAN
RISK MANAGER

By: _____
Risk Manager

RECOMMENDED FOR APPROVAL:
KIRK LAGERQUIST, DIRECTOR
GENERAL SERVICES DEPARTMENT

By: _____
Department Head

END OF AGREEMENT

Docusign Envelope ID: 8B8D647A-22AF-8722-83CF-BB2408AE9733

EXHIBIT A

SCOPE OF WORK; HOURLY RATES

Consultant shall perform all of the following services set forth in this Scope of Work ("Services") in exchange for the fixed fee Base Contract Amount set forth in the table below and in Section 1.a of Exhibit C, below, which shall include all overhead, administrative costs, and profit.

SCOPE OF WORK:

Base Contract Amount Compensation Schedule:

[Specify milestones and amounts payable for completion of each milestone in not-to-exceed amounts]

Rate Schedule for Supplemental Services:

The following hourly rates, which include all overhead, administrative costs, and profit, shall apply to any and all Supplemental Services performed during the Term in accordance with duly executed Change Orders.

[Insert hourly rate schedule for SS]

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END EXHIBIT A

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EXHIBIT B

CONSULTANT'S STAFF & SUBCONSULTANTS

A. Consultant declares that the Principal-in-Charge on behalf of Consultant shall be {insert name of Consultant employee}. Consultant declares that Consultant's Project Manager shall be {insert name of Consultant employee}.

B. Consultant will only employ subconsultants identified in the Consultant's Proposal submitted in response to the County's RFQ/P for this project (each, a "Subconsultant"), as set forth below, and each Subconsultants must, if their profession or specialty is licensable, be licensed by the State of California to perform such Services. Consultant must obtain Owner's prior written approval of any other subconsultants or subcontractors. Upon Owner's request, Consultant shall provide copies of all Subconsultant contracts to Owner.

C. None of the Staff or Subconsultants specified in this Agreement shall be replaced without the prior written approval of the Director, or his Assistant Director designee, in each instance. If Consultant's Project Manager or any other designated key staff person or Subconsultant fails to perform to the satisfaction of Owner, upon written notice from the OPM, Consultant shall, within fifteen (15) calendar days, remove that person from the Project and provide a qualified replacement acceptable to Owner, and subject to Owner's prior written approval.

List of Consultant's Staff

{Insert}

List of Subconsultants:

{Insert}

END EXHIBIT B

EXHIBIT C

CONSULTANT'S COMPENSATION

1. COMPENSATION SUMMARY

a.	Consultant's **Fixed Fee** for the performance of all of the **Services** described in Exhibit A ("Consultant's Scope of Work") shall be:	
	Base Contract Amount:	
	SUBTOTAL: Base Contract Amount	
b.	**Allowance for Reimbursable Expenses pursuant to Part 10.02**	**$0**
c.	Supplemental Services Allowance for Supplemental Services that may be authorized by the Owner in writing pursuant to a duly executed **Change Order** issued during the Term in accordance with Part 10.03, above.	**$**
d.	**MAXIMUM COMPENSATION LIMIT (a+b+c)**	**$**

2. PROGRESS PAYMENTS

a. For **the Base Contract Amount**, progress payments will be on a FIXED FEE basis for completion of each of milestone in accordance with Exhibit A.
b. For Consultant compensation payable hereunder in terms of an **HOURLY FEE** (i.e., for Supplemental Services performed in accordance with duly executed Change Order(s)), payments will be made monthly and based on the actual hours worked during the billing period charged at the hourly rates set forth in Exhibit A, above, (**Consultant must include substantiating documentation for each payment request hereunder, including a breakdown of the staff hours for particular tasks performed as a task-fee breakdown**)
c. Only invoices identifying personnel listed in Exhibit A or B, above, will be accepted by Owner as valid substantiation for hourly fee payment requests.

d. Consultant must submit appropriate documentation and information to support each invoice, including a narrative description of Services performed during such billing period. including, but not limited to, all completed milestones and deliverables.

END EXHIBIT C

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EXHIBIT D
Indemnification and Insurance Requirements
(For Design Services)

INDEMNIFICATION

CONTRACTOR agrees to indemnify, defend (with counsel reasonably approved by COUNTY) and hold harmless COUNTY and its officers, officials, employees, agents and volunteers from and against any and all claims, actions, losses, damages, judgments and/or liabilities arising out of this Agreement from any cause whatsoever, including the acts, errors or omissions of any person or entity and for any costs or expenses (including but not limited to attorneys' fees) incurred by COUNTY on account of any claim except where such indemnification is prohibited by law. CONTRACTOR'S indemnification obligation applies to COUNTY'S active as well as passive negligence but does not apply to COUNTY'S sole negligence or willful misconduct.

NOTIFICATION OF ACCIDENTS AND SURVIVAL OF INDEMNIFICATION PROVISIONS

CONTRACTOR shall notify COUNTY immediately in the event of any accident or injury arising out of or in connection with this Agreement. The indemnification provisions in this Agreement shall survive any expiration or termination of this Agreement.

INSURANCE

CONTRACTOR shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by any of the CONTRACTOR, its agents, representatives, employees, Subconsultants, and subcontractors.

A. Minimum Scope of Insurance Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products-completed operations, personal & advertising injury, with limits no less than $2,000,000 per occurrence and **$4,000,000 in the aggregate.**
2. **Automobile Liability**: Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if CONTRACTOR has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than $1,000,000 per accident for bodily injury and property damage.
3. **Workers' Compensation**: Insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than $1,000,000 per accident for bodily injury or disease. **(Not required if CONTRACTOR provides written verification that it has no employees)**
4. **Contractor's Pollution Liability and/or Asbestos Pollution Liability and/or Errors & Omissions**: applicable to the work being performed, with a limit no less than $2,000,000 per claim or occurrence and $2,000,000 aggregate per policy period of one year.

If the CONTRACTOR maintains broader coverage and/or higher limits than the minimums shown above, the COUNTY requires and shall be entitled to the broader coverage and/or the higher limits maintained by the CONTRACTOR. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the COUNTY.

B. Other Insurance Provisions

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The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. **Additional Insured** – COUNTY, its officers, officials, employees, agents and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the formof an endorsement to the CONTRACTOR'S insurance at least as broad as ISO Form ISO Form CG 20 10 11 85 or both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 forms if later revisions used.
2. **Primary Coverage** – For any claims related to this contract, the CONTRACTOR'S insurance coverage shall be primary insurance primary coverage at least as broad as ISO CG 20 01 04 13 as respects the COUNTY, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the COUNTY, its officers, officials, employees, or volunteers shall be excess of the CONTRACTOR'S insurance and shall not contribute with it.
3. **Notice of Cancellation** – Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the COUNTY.
4. **Waiver of Subrogation Rights** – CONTRACTOR hereby grants to COUNTY a waiver of any right to subrogation which any insurer of said CONTRACTOR may acquire against the COUNTY by virtue of the payment of any loss under such insurance. CONTRACTOR agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the COUNTY has received a waiver of subrogation endorsement from the insurer.
5. **Deductibles and Self-Insured Retention** – Any deductibles or self-insured retentions must be declared to and approved by the COUNTY. The COUNTY may require the CONTRACTOR to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.
6. **Acceptability of Insurers** – Unless otherwise approved by Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum A.M. Best's Insurance Guide rating of "A- VII".
7. **Verification of Coverage** – CONTRACTOR shall furnish the COUNTY with proof of insurance, original certificates and amendatory endorsements as required by this Agreement. The proof of insurance, certificates and endorsements are to be received and approved by the COUNTY before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the CONTRACTOR's obligation to provide them. The CONTRACTOR shall furnish evidence of renewal of coverage throughout the term of the Agreement. The COUNTY reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.
8. **Failure to Procure Coverage** – In the event that any policy of insurance required under this Agreement does not comply with the requirements, is not procured, or is canceled and not replaced, COUNTY has the right but not the obligation or duty to terminate the Agreement. Maintenance of required insurance coverage is a material element of the Agreement and failure to maintain or renew such coverage or to provide evidence of renewal may be treated by COUNTY as a material breach of contract.
9. **Subcontractors** – CONTRACTOR shall require and verify that all subcontractors, including, but not limited to, Subconsultants, maintain, at all times during the Term, insurance meeting all the requirements stated herein, and CONTRACTOR shall ensure that COUNTY is an additional insured on insurance required from subcontractors and Subconsultants.
10. **Claims Made Policies** – If any of the required policies provide coverage on a claims-made

basis:

i. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
ii. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of contract work.
iii. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the CONTRACTOR must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work.

11. **Special Risks or Circumstances –** COUNTY reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. CONTRACTOR agrees to execute any such amendment within thirty (30) days of receipt.

Any failure, actual or alleged, on the part of COUNTY to monitor or enforce compliance with any of the insurance and indemnification requirements set forth herein shall not be deemed as a waiver of any rights on the part of COUNTY.

END EXHIBIT D

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EXHIBIT E

NOTICES

1. All notices are deemed to have been given when made in writing and delivered or mailed to the representatives of Owner and Consultant at their respective addresses as follows:

a. Owner:

County of Santa Barbara
Capital Division
1105 Santa Barbara St. (Historic Courthouse, 2nd Floor)
Santa Barbara, CA 93101

Attention: Jeffrey Patton, Assistant Director, General Services Department
(805) 568-934-6229/ jpatton@countyofsb.org

b. Consultant:

{INSERT CONSULTANT INFORMATION}

END EXHIBIT E

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ATTACHMENT 1

RFQ

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ATTACHMENT 2

Proposal

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– END OF EXHIBIT A –

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ATTACHMENT A

NORTH COUNTY CRISIS RESIDENTIAL TREATMENT FACILITY PRELIMINARY SITE PLAN

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BETTERVIA ROAD

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– END OF ATTACHMENT A –

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ATTACHMENT B

COMMUNITY WORKFORCE AGREEMENT

Docusign Envelope ID: 8B8D647A-22AF-8722-83CF-BB2408AE9733

COMMUNITY WORKFORCE AGREEMENT

BY AND BETWEEN

THE COUNTY OF SANTA BARBARA

AND

THE TRI COUNTIES BUILDING & CONSTRUCTION

TRADES COUNCIL, AFL-CIO

AND

THE SIGNATORY CRAFT COUNCILS AND UNIONS

To be considered by the Board of Supervisors on 12/2/2022

If approved on 12/2/2022 will be effective on 4/1/2023

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COUNTY OF SANTA BARBARA
COMMUNITY WORKFORCE AGREEMENT

This Community Workforce Agreement (hereinafter, "Agreement") is entered into by and between the County of Santa Barbara and its successors or assigns (herein together with the Santa Barbara County Flood Control and Water Conservation District, Santa Barbara County Water Agency, Laguna County Sanitation District, and Santa Barbara County Fire Protection District, collectively, the "County"), the Tri Counties Building & Construction Trades Council, AFL-CIO (the "Trades Council"), and the Craft Councils and Unions signing this Agreement (hereinafter together with the Trades Council, collectively, the "Unions"). This Agreement establishes the labor relations guidelines and procedures for the County and for the Contractors and craft employees represented by the Unions and engaged in Project Work. The County, Trades Council and Unions are hereinafter referred to herein, as the context may require, as "Party" or "Parties."

The Parties to this Agreement understand that if this Agreement is acceptable to the County, the policy of the County will be for the Project Work to be contracted exclusively to Contractors who agree to execute and be bound by the terms of this Agreement, directly or through the Letter of Assent (defined below), and to require each of its subcontractors, of whatever tier, to become bound. The County shall include, directly or by incorporation by reference, the requirements of this Agreement in the advertisement of and/or specifications for each and every contract for Project Work to be awarded by the County.

The County shall actively administer and enforce the obligations of this Agreement to ensure that the benefits envisioned from it flow to all signatory Parties, the Contractors and crafts persons working under it, and the residents of the County. The County shall therefore designate a "Community Workforce Coordinator," either from its own existing staff, hire a new staff member or an independent contractor acting on behalf of the County, who will, with the support of the Contractors and Unions, monitor compliance with this Agreement; assist, as the authorized representative of the County, in developing and implementing the programs referenced herein, all of which are critical to fulfilling the intent and purposes of the Parties and this Agreement; and to otherwise implement and administer this Agreement.

The term "Apprentice" as used in this Agreement shall mean those employees registered and participating in Joint Labor/Management Apprenticeship Programs approved by the Division of Apprenticeship Standards, Department of Industrial Relations of the State of California, and the Federal Department of Labor to the extent required by any Project funding source.

The term "Contractor" as used in this Agreement includes any individual, firm, partnership, or corporation, or combination thereof, including joint ventures, which as an Independent Contractor has entered into a contract with the County with respect to the Project Work, or with another Contractor as a subcontractor of whatever tier utilized by any such Contractor for Project Work. Contractor may also be referred to as Employer in this Agreement.

The term "Joint Labor/Management Apprenticeship Program" or "Approved Apprenticeship Programs," as used in this Agreement means a joint Union and Contractor

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administered apprenticeship program certified by the Division of Apprenticeship Standards, Department of Industrial Relations of the State of California, and the Federal Department of Labor to the extent required by any Project funding source.

The term "Local Area Resident" as used in this Agreement means a qualified person whose principal residence is located within Santa Barbara, Ventura and San Luis Obispo counties, as is more fully described in Section 3.5.1 of this Agreement.

The term "Letter of Assent" as used in this Agreement means the document that each Contractor (of any tier) must sign and submit to the Community Workforce Coordinator and copied to the Trades Council, before beginning any Project Work, which formally binds them to adhere to all applicable forms, requirements and conditions of this Agreement, in the form of the letter attached hereto as Attachment B.

The term "Project" as used in this Agreement means any individual construction project that is included within the definition of Project Work.

The term "Project Work" as used in this Agreement means the renovation, rehabilitation, repair, retrofit, upgrade, reconstruction, replacement, improvement and construction work performed under contract, as further described in Section 2.2 of this Agreement and in the Santa Barbara County Community Workforce Agreement Resolution.

The term "Maintenance and Repair" means work for the repair, restoration, rehabilitation, or preservation of the condition of an existing facility or structure that is not for the purpose of increasing size or capacity, or an alteration to accommodate a new or different use, including, for example and without limitation; repair, repaving, resurfacing, or restriping of streets; repair and replacement of existing sidewalks and paseos; installation of driveways; installation of curb ramps and other accessibility features as required by the Americans With Disabilities Act or similar statute; replacement, repair or rehabilitation of existing infrastructure; repainting, resurfacing, reroofing of buildings; replacement of windows, doors, electrical wiring, or plumbing; replacement of existing turf or landscape.

The terms "Master Labor Agreements" or "MLAs," as used in this Agreement, means the local collective bargaining agreements of the signatory Unions having jurisdiction over the Project Work and which have signed this Agreement which are specifically identified in Attachment A to this Agreement.

The term "Signatory Contractor" means any Contractor who is a signatory to an existing Master Labor Agreement with a Union signatory to this Agreement. All other Contractors are considered "Non-signatory Contractors."

The term "Subscription Agreement" means the contract between a Contractor and a Union's Labor/Management Trust Fund(s) that allows the Contractor to make the appropriate fringe benefit contributions in accordance with the terms of MLA.

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The Unions and all Contractors agree to abide by the terms and conditions of this Agreement and agree that this Agreement represents the complete understanding of the Parties. No Contractor is or will be required to sign or otherwise become a party to any other collective bargaining agreement with a signatory Union as a condition of performing work within the scope of this Agreement.

The Parties agree that this Agreement will be made available to, and will fully apply to, any successful bidder for Project Work, without regard to whether that successful bidder performs work at other sites on either a union or non-union basis. This Agreement shall not apply to any work of any Contractor other than that on Project Work specifically covered by this Agreement.

The use of masculine or feminine gender or titles in this Agreement should be construed as including both genders and not as gender limitations unless the Agreement clearly requires a different construction. Further, the use of Article titles and/or Section headings are for information only and carry no legal significance.

ARTICLE 1
INTENT AND PURPOSE

Section 1.1 Identification and Retention of Skilled Labor and Employment of Local Area Residents: The construction and capital improvement work scheduled to be performed by the County will require large numbers of craft personnel and other supporting workers. The parties understand and intend to use the opportunities provided by the Project Work to be covered by this Agreement to identify and promote, through cooperative efforts, programs and procedures (which may include, for example, programs to prepare persons for entrance into formal apprenticeship programs, or outreach programs to the community describing opportunities available as a result of the Project Work), the interest and involvement of Local Area Residents in the construction industry; assist them in entering the construction trades, and through utilization of the approved apprenticeship programs, provide training opportunities for those Local Area Residents and other individuals wishing to pursue a career in construction. Further, with assistance of the Community Workforce Coordinator, the County, the Contractors, the Trades Council, the Unions and their affiliated regional and national organizations, will work jointly to develop and implement procedures promptly for the identification of craft needs, the scheduling of work to facilitate the utilization of available craft workers, and to secure the services of craft workers in sufficient numbers to meet the high demands of the Project Work.

Section 1.2 Encouragement of Local Area Contractors: The Project Work will provide many opportunities for local contractors and suppliers to participate, and the parties therefore agree that they will cooperate with all efforts of the County, the Community Workforce Coordinator, and other organizations retained by the County for the purpose of encouraging and assisting the participation of such businesses in Project Work. The parties intend and will cooperate to ensure that the provisions of this Agreement do not inadvertently establish impediments to the participation of Local Area Residents and Contractors and will expend every effort to support local referral capabilities.

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Section 1.3 Project Cooperation: The parties recognize that the construction to take place under this Agreement involves unique and special circumstances which dictate the need for the parties to develop specific procedures to promote high quality, rapid and uninterrupted construction methods, and practices. The smooth operation and cost effective, successful and timely completion of the work is vitally important to the County. The parties therefore agree that maximum cooperation among all parties involved is required; and that with construction work of this magnitude, with multiple contractors and crafts performing work on multiple sites over an extended period of time, all parties agree to work in a spirit of harmony and cooperation, and with an overriding commitment to maintain the continuity and timely completion of Project Work.

Section 1.4 Workers' Compensation Carve-out: Further, the parties recognize the potential which the Project may provide for the implementation of a cost-effective workers' compensation system as permitted by California Labor Code, Section 3201.5, as revised. Should the County request, the Union parties agree to meet and negotiate in good faith with representatives of the County for the development, and subsequent implementation, of an effective program involving improved and revised dispute resolution and medical care procedures for the delivery of workers' compensation benefits and medical coverage as permitted by the Code.

Section 1.5 Peaceful Resolution of All Disputes: In recognition of the special needs of the Project Work covered by this Agreement and to maintain a spirit of harmony, labor-management peace and stability during the term of this Community Workforce Agreement, the parties agree to establish effective and binding methods for the settlement of all misunderstandings, disputes and grievances; and in recognition of such methods and procedures, the unions agree not to engage in any strike, slowdowns, interruptions, or disruption of Project Work, and the contractors agree not to engage in any lockout, or any other action impairing or impeding the Project Work.

Section 1.6 Binding Agreement on Parties: By executing this Agreement, the County, Trades Council, Unions, and Contractors agree to be bound by each and all of the provisions of this Agreement, and pledge that they will work together in good faith to effectuate the purposes of this Agreement, including but not limited to enhancing opportunities for the participation of Local Area Residents and Contractors.

ARTICLE 2
SCOPE OF AGREEMENT

Section 2.1 General: This Agreement shall only apply to work which is contracted out by the County, as specified in Section 2.2 of this Article, and to be performed by those Contractor(s) of whatever tier that have contracts awarded for said work.

Section 2.2 Specific: The Project Work is defined and limited to:

2.2.1 All work performed under contract for construction, reconstruction, replacement, or improvement (excluding Maintenance and Repair) of public infrastructure as defined in County of Santa Barbara's Community Workforce Agreement Resolution and all subcontracts

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used to complete the Project Work and not otherwise excluded from the scope of this Agreement in Section 2.3, below; and

2.2.2 Such additional work as the County may, at its sole discretion, add from time-to-time.

Section 2.3 Exclusions: Items specifically excluded from the Scope of this Agreement include the following:

2.3.1 Work of non-manual employees, including but not limited to: superintendents; administrators; supervisors; time keepers; mail carriers; clerks; office workers; messengers; guards; safety personnel; emergency medical and first aid technicians; and other professional, engineering, administrative, supervisory and management employees;

2.3.2 Equipment and machinery operated by employees of the County;

2.3.3 All off-site manufacture, movement and handling of materials, equipment, or machinery; provided, however, that lay down or storage areas for equipment or material, dedicated solely to the Project or Project Work, and the movement of materials or goods on or between locations on a Project site are within the scope of this Agreement;

2.3.4 All employees of the County, the Community Workforce Coordinator, design teams (including, but not limited to, architects, engineers and master planners), or any other consultants for the County (including, but not limited to, project managers and construction managers and their employees not engaged in manual Project Work) and their sub-consultants, and other employees of professional service organizations, not performing manual labor within the scope of this Agreement are not a covered craft under this Agreement. Every employee performing work under the Wage classification of Building/Construction Inspector and Field Soils and Material Testers under a professional services agreement or a construction contract with a Contractor shall be bound to all applicable requirements of the CWA. Notwithstanding the above, Inspectors working for or hired by or under a contract with the County are not a covered craft under this Agreement.

2.3.5 Any work performed on or near or leading to or into a site of work covered by this Agreement and undertaken by state, county, city, or other governmental bodies, or their Contractors or consultants; or by public utilities, or their Contractors or consultants; and/or by the County or its Contractors or consultants for work that is not within the scope of this Agreement;

2.3.6 Off-site maintenance of leased equipment and on-site supervision of such work;

2.3.7 Work required to be performed by the manufacturer's personnel and/or personnel certified by the manufacturer, subject to the conditions provided in this section. Certain equipment and systems of a highly technical and specialized nature may have to be installed at the Project. The nature of such equipment and systems, together with requirements of manufacturer's warranty, may dictate that it be prefabricated, pre-piped, and/or pre-wired. The

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Unions agree to install such material, equipment and systems without incident, or allow such installation to be performed by the manufacturer's employees or a contractor designated by the manufacturer where the Unions are unable to perform such work. If a warranty on the manufacturer's specialty or technical equipment or systems purchased by the County requires that the installation and/or programming of such specialty or technical equipment or system be performed by the manufacturer's own personnel or a contractor certified by the manufacturer, and there are no Union signatory contractors certified or authorized by the manufacturer to install and/or perform such work, then such installation and or programming shall not be covered under this Agreement. The Contractor shall notify the Unions at the pre-job conference of the use of this provision and shall provide copies of the written warranty that require that the work be performed by the manufacturer's own personnel or a contractor certified by the manufacturer, to the affected Union. When the warranty does not require installation or programming by the manufacturer's own personnel or a contractor certified by the manufacturer, the Unions agree to perform and install such work under the supervision and direction of the manufacturer's representative;

2.3.8 Non-construction support services contracted by the County, Community Workforce Coordinator, or Contractor in connection with this Project;

2.3.9 Off-site laboratory work for testing;

2.3.10 The movement and placement of furniture, fixtures and equipment owned or controlled by the Owner; however, the installation of office furniture, fixtures and equipment that is attached to the realty shall be covered by this Agreement;

2.3.11 All work for Maintenance and/or Repair;

2.3.12 Work on a Project performed as a result of a threat to life, limb or property or another emergency requiring immediate action; and

2.3.13 All work related to design, installation and programming of Supervisory Control and Data Acquisition (SCADA) systems or similar systems for the automation and monitoring of facilities after the initial installation of conduit and wiring under the provisions of this Agreement.

Section 2.4 After installation by the Contractor(s) and upon issuance of a notice of completion, it is understood the County reserves the right to perform start-up, operation, repair, maintenance or revision of equipment or systems with persons of the County's choice. If required, the service representative may make a final check to protect the terms of a manufacturer's guarantee or warranty prior to start-up of a piece of equipment.

Section 2.5 Awarding of Contracts:

2.5.1 The County and/or the Contractors, as appropriate, have the absolute right to award contracts or subcontracts for Project Work to any Contractor notwithstanding the existence or non-existence of any agreements between such Contractor and any Union parties,

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provided only that such Contractor is ready, willing and able to execute and be bound by the terms of this Agreement, directly or through the Letter of Assent, and to require each of its subcontractors, of whatever tier, to become similarly bound should such Contractor be awarded work covered by this Agreement. The County shall reference this Agreement in all bid notices and contracts for Project Work.

2.5.2 Subject to section 2.6, below, it is agreed that all Contractors and subcontractors of whatever tier, who have been awarded contracts for work covered by this Agreement, shall be required to accept and be bound to the terms and conditions of this Agreement, and shall evidence their acceptance by the execution of the Letter of Assent prior to the commencement of work. At the time that any Contractor enters into a subcontract with any subcontractor of any tier providing for the performance of Project Work covered under this Agreement, the Contractor shall provide a copy of this Agreement to said subcontractor and shall require the subcontractor, as a part of accepting the award of a construction subcontract, to agree in writing in the form of a Letter of Assent to be bound by each and every provision of this Agreement prior to the commencement of work on the Project. No Contractor or subcontractor shall commence Project Work without having first provided a copy of the Letter of Assent executed by it to the Community Workforce Coordinator and copied to the Trades Council forty-eight (48) hours before the commencement of Project Work, or within forty-eight (48) hours after the award of Project Work to that Contractor (or subcontractor), whichever occurs later.

Section 2.6 Coverage Exception: This Agreement shall not apply to any project if the County receives funding or assistance in whole or in part from any Federal, State, local or other public entity for the project that includes a requirement, condition or other term of receiving that funding or assistance that the County not require bidders, contractors, subcontractors or other persons or entities to enter into an agreement with one or more labor organizations or enter into an agreement that contains any of the terms set forth herein. If the County receives funding or assistance from any Federal, State, local or other public entity for a project and such funding prohibits the use of any part of this Agreement, the parties shall meet and discuss the issue. The County will make every effort to establish the enforcement of this Agreement, as may be modified pursuant to this section, with any governmental agency or granting authority and the Unions agree to jointly defend and support any needed revision which will allow the application of this Agreement to such Project.

Section 2.7 Master Labor Agreements (MLA):

2.7.1 The provisions of this Agreement, including the Master Labor Agreements (hereinafter "MLAs") in effect as of the Effective Date of this Agreement which are incorporated herein by reference, shall apply to the work covered by this Agreement. However, this Agreement supersedes the MLAs between any of the Contractors performing construction work on a Project and a Union signatory thereto to the extent the provisions of this Agreement are inconsistent with such MLAs or the subject is already addressed in this Agreement, in which event the provisions of this Agreement shall apply. However, such does not apply to work performed under the National Cooling Tower Agreement, the National Stack Agreement, the National Transit Division Agreement (NTD), work within the jurisdiction of the International Union of Elevator Constructors, and all instrument calibration and loop checking work

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performed under the terms of the UA/IBEW Joint National Agreement for Instrument and Control Systems Technicians except that Articles dealing with Work Stoppages and Lock-Outs, Work Assignments and Jurisdictional Disputes, and Settlement of Grievances and Disputes shall apply to such work. Where a subject is covered by the provisions of an MLA and not covered by this Agreement, the provision of the MLA shall apply to the extent that the provision complies with all applicable Federal, State or local laws or regulations. It is specifically agreed that no later agreement shall be deemed to have precedence over this Agreement unless signed by all Parties signatory hereto who are then currently employed or represented at the Project. In addition, any Non-signatory Contractor will only be bound to comply with the limited provisions of the MLAs, as referenced above, for the MLAs in effect as of the Effective Date of this Agreement and are not subject to the provisions of Section 6.4 regarding implementing new or interim agreements. Any dispute as to the applicable source between this Agreement and any MLA for determining the working conditions of employees on this Project shall be resolved under the procedures established in Article 9.

2.7.3 It is understood that this Agreement is the primary document the Parties will use in the administration of the Project Work. The Contractor will not be obligated to sign any other local, area or national collective bargaining agreement as a condition of performing work within the scope of this Agreement (provided, however, that the Contractor may be required to sign a uniformly applied, non-discriminatory "Subscription Agreement" at the request of the trustees or administrator of a trust fund established pursuant to Section 302 of the Labor Management Relations Act, and to which such Contractor is bound to make contributions under this Agreement, provided that such Subscription Agreement does not purport to bind the Contractor beyond the terms and conditions of this Agreement and/or expand its obligation to make contributions pursuant thereto). It shall be the responsibility of the prime Contractor to have each of its subcontractors sign such Subscription Agreement, to the extent required by this Agreement, with the appropriate Craft Union prior to the subcontractor beginning Project Work.

Section 2.8 Binding Signatories Only: This Agreement shall only be binding on the signatory Parties hereto, and shall not apply to the parents, affiliates, subsidiaries, or other ventures of any such Party.

Section 2.9 Other County Work: This Agreement shall be limited to the construction work within the Scope of this Agreement including, specifically, site preparation and related demolition work, and new construction and major rehabilitation work referenced in Section 2.2 above. Nothing contained herein shall be interpreted to prohibit, restrict, or interfere with the performance of any other operation, work or function not covered by this Agreement, which may be performed by County employees or contracted for by the County for its own account, on its property or in and around a Project site.

Section 2.10 Separate Liability: The Unions agree that this Agreement does not have the effect of creating any joint employment status between or among the County or Community Workforce Coordinator and/or any Contractor.

Section 2.11 Completed Project Work: As areas, phases, portions, sections or segments of Project Work are accepted by the County, this Agreement shall have no further force or effect on

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such items or areas except where the Contractor is directed by the County or its representatives to engage in repairs, modification, check-out and/or warranties functions required by its contract(s) with the County.

ARTICLE 3
UNION RECOGNITION AND EMPLOYMENT

Section 3.1 Recognition: The Contractor recognizes the Trades Council and the Unions as the exclusive bargaining representative for the employees engaged in Project Work.

Section 3.2 Contractor Selection of Employees: The Contractor shall have the right to determine the competency of all employees, the duties of such employees within their craft jurisdiction, and shall have the sole responsibility for selecting employees to be laid off. The Contractor shall also have the right to reject any applicant referred by a Union for any reason; provided, however, that such right is exercised in good faith and not for the purpose of avoiding the Contractor's commitment to employ qualified workers through the procedures endorsed in this Agreement.

Section 3.3 Referral Procedures:

3.3.1 For signatory Unions having a job referral system contained in a MLA, the Contractor agrees to comply with such system and it shall be used exclusively by such Contractor, except as modified by this Agreement. Such job referral system will be operated in a nondiscriminatory manner and in full compliance with federal, state, and local laws and regulations which require equal employment opportunities and non-discrimination. All of the foregoing hiring procedures, including related practices affecting apprenticeship, shall be operated so as to consider the goals of the County to encourage employment of Local Area Residents and participation of Contractors on Project Work, including each separate contract for a Project, and to facilitate the ability of all Contractors to meet their employment needs.

3.3.2 The Unions will exert their best efforts to recruit and refer sufficient numbers of skilled craft workers to fulfill the labor requirements of the Contractor, including specific employment obligations to which the Contractor may be legally and/or contractually obligated; and to refer apprentices as requested to develop a larger, skilled workforce. The Unions will work with their affiliated regional and national unions, and jointly with the Community Workforce Coordinator and others designated by the County, to identify and refer competent craft persons as needed for Project Work, and to identify and hire individuals, giving preference to Local Area Residents, as set forth in this Agreement, for entrance into approved apprenticeship programs, or participation in other identified programs and procedures to assist individuals in qualifying and becoming eligible for such apprenticeship programs, all maintained to increase the available supply of skilled craft personnel for Project Work to be undertaken by the County.

3.3.3 The Union shall not knowingly refer an employee currently employed by a Contractor on Project Work to any other Contractor.

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3.3.4 Core Workers:

3.3.4.1 As the initial workers on a Project, a Contractor, which is not currently working under a Master Labor Agreement, that is awarded work on the Project may directly employ up to a maximum of three (3) employees of its regular, experienced work force, where the employees so designated as "Core Workers" meet the following qualifications:

(a) Possess any license required by state or Federal law for the Project Work to be performed;

(b) Have worked at least two thousand (2,000) hours in the applicable trade or craft;

(c) Have been employed by the Contractor for at least sixty (60) working days of the one hundred (100) working days immediately preceding the award of the Project Work to the Contractor;

(d) Have the ability to safely perform the basic functions of the applicable craft or trade;

(e) Possess healthcare coverage for life of the Project Work.

3.3.4.2 After directly employing up to three (3) Core Workers (as described above), the Contractor shall thereafter be subject to the procedures for Union referral of Project workers as set forth in section 3.3.4.3. The Contractor, upon request by the Community Workforce Coordinator, shall provide the necessary documentation to support the qualification of an employee as a Core Worker.

3.3.4.3 If additional workers are needed following the hiring of workers pursuant to the provisions above, then the Contractor shall request, and the Union shall refer, a worker from its referral list. Contractors may then directly employ one (1) additional of their qualified "Core Workers" that is referred pursuant to the referral procedures referenced in section 3.3.4.1, after which one (1) worker shall be referred from the Union referral list. This alternating procedure of referral shall continue until a maximum of six (6) core employees are employed. Thereafter all additional workers shall be requested and referred pursuant to otherwise applicable Union referral list procedures and the local hire provisions of this Agreement. In the laying off of employees, the number of core employees beyond those initially employed under Section 3.4.1.1, above, shall not exceed one-half plus one of the workforce for an Employer with twelve (12) or fewer employees, assuming the remaining employees are qualified to undertake the work available. The Contractor shall notify the appropriate Union utilizing the Craft Request Form (Attachment D) and each of the additional workers utilized under the procedures in this paragraph shall register with the Union's hiring hall before commencing work on the Project. If there is any question regarding a worker's eligibility under this section 3.3.4.3, the Contractor shall provide satisfactory proof of such to the Community Workforce Coordinator and copied to the Trades Council. The provisions of sections 3.3.4.1 thru 3.3.4.3 shall only apply to

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Contractors not independently signed to a Master Labor Agreement at the time of their award of Project Work covered under this Agreement.

3.3.4.4 Prior to each Contractor performing any work on the Project, each Contractor shall provide a list of its "Core Workers" to the Community Workforce Coordinator and copied to the Trades Council. The Contractor hiring any "Core Worker" shall provide satisfactory proof (e.g., payroll records, quarterly tax records and such other documentation) evidencing each "Core Worker's" qualification as a core employee to the Community Workforce Coordinator.

Section 3.4 Non-Discrimination in Referral, Employment, and Contracting: The Unions and Contractors agree that they will not discriminate against any employee or applicant for employment in hiring and dispatching on the basis of race, color, religion, sex, gender, national origin, age, membership in a labor organization, sexual orientation, political affiliation, marital status, or disability. The Parties shall jointly endeavor to assure that these commitments are fully met, and that any provisions of this Agreement which may appear to interfere within a local and small business enterprises successfully bidding for work within the scope of this Agreement shall be carefully reviewed, and adjustments made as may be appropriate and agreed upon among the Parties, to ensure full compliance with the spirit and letter of the County's policies and commitment to its goals for the significant utilization of local and small businesses as Contractors or suppliers for Project Work.

Section 3.5 Employment of Local Area Residents:

3.5.1 The Unions and Contractors agree that, to the maximum extent allowed by law, and as long as they possess the requisite skills and qualifications, the Unions will exert their best efforts to recruit sufficient numbers of skilled craft Local Area Residents, to fulfill the requirements of the Contractors and shall refer on a priority basis all available, qualified Local Area Resident workers in the numbers requested by the Contractor. In recognition of the fact that the County and the surrounding communities will be impacted by the construction of Project Work, the parties agree to support the hiring of Local Area Resident workers, as well as eligible Veterans regardless of where they reside. Towards that end, the Unions agree that they will exert their best efforts to encourage and provide referrals and utilization of qualified workers in accordance with the following priority, as requested thru a valid Craft Employee Request Form by the Contractors:

3.5.1.1 First, Local Area Residents residing in the County of Santa Barbara;

3.5.1.2 If the Unions have not provided the Contractors with a sufficient number of qualified workers from paragraphs 3.5.1.1 above, the Unions will then exert their best efforts to refer qualified workers residing in San Luis Obispo and Ventura counties, and shall refer all such available workers, giving first priority to Veterans, as requested thru a valid Craft Employee Request Form by the Contractors. Residents residing within the counties of Santa Barbara, Ventura and San Luis Obispo, as well as Eligible Veterans, regardless of where they reside, shall be referred to as Local Area Residents

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3.5.2 A goal of at least fifty percent (50%) of all of the construction labor hours worked on the Project shall be from Local Area Residents. To facilitate the dispatch of Local Area Residents, all Contractors will be required to utilize the Craft Employee Request Form whenever they are requesting the referral of any employee from a Union referral list for any Project Work, a sample of which is attached as Attachment D.

3.5.3 The Community Workforce Coordinator shall work with the Unions and Contractors in the administration of this Local Area Resident preference; and the Contractors and Unions shall cooperate by maintaining adequate records to demonstrate to the Community Workforce Coordinator that such preferences have been pursued.

Section 3.6 Helmets to Hardhats: The Contractors and the Unions recognize a desire to facilitate the entry into the building and construction trades of veterans who are interested in careers in the building and construction industry. The Contractors and Unions agree to utilize the services of the Center for Military Recruitment, Assessment and Veterans Employment (hereinafter "Center") and the Center's "Helmets to Hardhats" program to serve as a resource for preliminary orientation, assessment of construction aptitude, referral to apprenticeship programs or hiring halls, counseling and mentoring, support network, employment opportunities and other needs as identified by the Parties. For purposes of this Agreement, the term "Eligible Veteran" shall have the same meaning as the term "veteran" as defined under Title 5, Section 2108(1) of the United States Code as the same may be amended or re-codified from time to time. It shall be the responsibility of each qualified Local Area Resident to provide the Unions with proof of his/her status as an Eligible Veteran.

The Unions and Contractors agree to coordinate with the Center to create and maintain an integrated database of veterans interested in working on Projects and of apprenticeship and employment opportunities for Projects. To the extent permitted by law, the Unions will give credit to such veterans for bona fide, provable past experience.

Section 3.7 Time for Referral: If any Union's registration and referral system fails to fulfill the requirements for specific classifications requested by any Contractor within forty-eight (48) hours (excluding Saturdays, Sundays, and holidays), that Contractor may use employment sources other than the Union registration and referral services and may employ applicants from any other available source. Employee(s) acquired from other employment sources will be considered a worker referred from the Union referral list described in Section 3.3.4.3. In other words; these employees will not count as Core Workers. The Contractors shall inform the Community Workforce Coordinator of any applicants hired from other employment sources within forty-eight (48) hours of such applicant being hired, and such applicants shall register with the appropriate hiring hall, if any, prior to commencing work on a Project, but is not required to become a union member as noted in Section 3.9.

Section 3.8 Lack of Referral Procedure: If a signatory Union does not have a job referral system as set forth in Section 3.3 above, the Contractors shall give the Union equal opportunity to refer applicants. The Contractors shall notify the Community Workforce Coordinator of employees so hired, as set forth in Section 3.5.

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Section 3.9 Union Membership: Employees are not required to become or remain union members or pay dues or fees as a condition of performing Covered Work under this Agreement. Contractors will make and transmit all deductions for union dues, fees, and assessments that have been authorized by employees in writing in accordance with the applicable Master Labor Agreement. Nothing in this Section 3.9 is intended to supersede the requirements of applicable Master Labor Agreements as to those Employers otherwise signatory to such Master Labor Agreements and as to the employees of those Employers who are performing Covered Work.

Section 3.10 Individual Seniority: Except as provided in Section 4.3, individual seniority shall not be recognized or applied to employees working on the Project; provided, however, that group and/or classification seniority in a Union's MLA, as of the effective date of this Agreement shall be recognized for purposes of layoffs.

Section 3.11 Foremen: The selection and number of craft foreman and/or general foreman shall be the responsibility of the Contractor. All foremen shall take orders exclusively from the designated Contractor representatives. Craft foreman shall be designated as working foreman at the request of the Contractors.

ARTICLE 4
UNION ACCESS AND STEWARDS

Section 4.1 Access to Project Sites: Authorized representatives of the Union shall have access to Project Work, provided that they do not interfere with the work of employees and further provided that such representatives fully comply with posted visitor, security, and safety rules.

Section 4.2 Stewards:

4.2.1 Each signatory Union shall have the right to dispatch a working journeyperson as a steward for each shift and shall notify the Contractor in writing of the identity of the designated steward or stewards prior to the assumption of such person's duties as steward. Such designated steward or stewards shall not exercise any supervisory functions. There will be no non-working stewards. Stewards will receive the regular rate of pay for their respective crafts.

4.2.2 In addition to his/her work as an employee, the steward should have the right to receive, but not to solicit, complaints or grievances and to discuss and assist in the adjustment of the same with the employee's appropriate supervisor. Each steward should be concerned only with the employees of the steward's Contractor and, if applicable, subcontractor(s), and not with the employees of any other Contractor. A Contractor will not discriminate against the steward on the basis of proper performance of his/her Union duties.

4.2.3 When a Contractor has multiple, non-contiguous work locations at one site, the Contractor may request, and the Union shall appoint such additional working stewards as the Contractor requests to provide independent coverage of one or more such locations. In such

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cases, a steward may not service more than one work location without the approval of the Contractor.

4.2.4 The stewards shall not have the right to determine when overtime shall be worked or who shall work overtime.

Section 4.3 Steward Layoff/Discharge: The relevant Contractor agrees to notify the Community Workforce Coordinator and the appropriate Union twenty-four (24) hours before the layoff of a steward, except in the case of disciplinary discharge for just cause. In any case in which the steward is discharged or disciplined for just cause, the Community Workforce Coordinator and the appropriate Union will be notified immediately by the Contractor, and such discharge or discipline shall not become final (subject to any later filed grievance) until twenty-four (24) hours after such notice has been given.

Section 4.4 Employees on Non-Project Work: On work where the personnel of the County may be working in close proximity to the construction activities covered by this Agreement, the Union agrees that the Union representatives, stewards, and individual workers will not interfere with the County personnel, or with personnel employed by the any other employer not a Party to this Agreement.

ARTICLE 5
WAGES AND BENEFITS

Section 5.1 Wages: All employees covered by this Agreement shall be classified in accordance with work performed and paid by the Contractors the hourly wage rates for those classifications in compliance with the applicable prevailing wage rate determination established pursuant to applicable law. If a prevailing rate increases under law, the Contractor shall pay that rate as of its effective date under the law. Notwithstanding any other provision of this Agreement, this Agreement does not relieve Signatory Contractors from paying all wages set forth in such then current Master Labor Agreements.

Section 5.2 Benefits:

5.2.1 Except as provided for in Section 5.2.1.1, below, Contractors shall pay contributions to the established employee benefit funds in the amounts designated in the appropriate MLA, on behalf of all employees and make all employee authorized deductions in the amounts designated in the appropriate MLA; provided, however, that such contributions shall not exceed the contribution amounts set forth in the applicable prevailing wage determination. Notwithstanding any other provision of this Agreement, Signatory Contractors are required to make all contributions set forth in the then current Master Labor Agreements without reference to the forgoing

5.2.1.1 A Contractor not signatory to an existing Master Labor Agreement with a Union that provides its construction craft core employees with company paid health care benefits under an established plan and/or company paid retirement benefits under an established ERISA qualified retirement plan may continue to make such payments into

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such plans on behalf of its Core Workers. A Non-signatory Contractor may also pay hourly cash fringe benefits, in lieu of actual benefits, to its core employees in accordance with applicable laws.

5.2.2 The Contractor adopts and agrees to be bound by the written terms of the applicable, legally established, trust agreement(s) specifying the detailed basis on which payments are to be made into, and benefits paid out of, such trust funds for its employees, except as provided in section 5.2.1.1. The Contractor authorizes the Parties to such trust funds to appoint trustees and successor trustees to administer the trust funds and hereby ratifies and accepts the trustees so appointed as if made by the Contractor.

5.2.3 Each Contractor and subcontractor is required to certify to the Community Workforce Coordinator that it has paid all benefit contributions due and owing to the appropriate Trust(s) prior to the receipt of its final payment and/or retention. Further, upon timely notification by a Union to the Community Workforce Coordinator, the Community Workforce Coordinator shall work with any Contractor who is delinquent in payments to assure that proper benefit contributions are made.

Section 5.3 Wage Premiums: Wage premiums, including but not limited to pay based on height of work, hazard pay, scaffold pay, and special skills shall not be applicable to work under this Agreement, except to the extent provided for in any applicable prevailing wage determination.

Section 5.4 Compliance with Prevailing Wage Laws: The Parties agree that the Community Workforce Coordinator shall monitor the compliance by all Contractors and subcontractors with all applicable federal and state prevailing wage laws and regulations. All complaints regarding possible prevailing wage violations shall be referred to the Community Workforce Coordinator for processing, investigation, and resolution, and if not resolved within thirty (30) calendar days, may be referred by any party to the state labor commissioner.

ARTICLE 6
WORK STOPPAGES AND LOCK-OUTS

Section 6.1 No Work Stoppages or Disruptive Activity: The Trades Council and the Unions agree that neither they (collectively or individually), nor their respective officers or agents or representatives, shall incite or encourage, condone or participate in any strike, walk-out, slow-down, picketing, observing picket lines, sick-out, or other activity of any nature or kind whatsoever, for any cause or dispute whatsoever with respect to or in any way related to Project Work, or which interferes with or otherwise disrupts Project Work, or with respect to or related to the County or Contractors or subcontractors, including, but not limited to economic strikes, unfair labor practice strikes, safety strikes, sympathy strikes and jurisdictional strikes whether or not the underlying dispute is subject to arbitration. Any such actions by the Trades Council, or Unions, or their members, agents, representatives or the employees they represent shall constitute a violation of this Agreement. The Trades Council and the Union shall take all steps necessary to obtain compliance with this Article and neither should be held liable for conduct for which it is not responsible.

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Section 6.2 Employee Violations: The Contractor may discharge any employee violating Section 6.1 above and any such employee will not be eligible for rehire under this Agreement.

Section 6.3 Standing to Enforce: The County, the Community Workforce Coordinator, or any Contractor affected by an alleged violation of Section 6.1 shall have standing and the right to enforce the obligations established therein.

Section 6.4 Expiration of MLAs: If the MLA, or any local, regional, and other applicable collective bargaining agreements expire during the term of the Project Work, the Union(s) agree that there shall be no work disruption of any kind as described in Section 6.1 above as a result of the expiration of any such agreement(s) having application on this Project and/or failure of the involved Parties to that agreement to reach a new contract. Terms and conditions of employment established and set at the time of bid shall remain established and set for duration of the Project. Otherwise to the extent that such agreement does expire and the Parties to that agreement have failed to reach concurrence on a new contract, work will continue on the Project, for Signatory Contractors, on one of the following two (2) options, both of which will be offered by the Unions involved to the Signatory Contractors affected:

6.4.1 Each of the Unions with a contract expiring must offer to continue working on the Project under interim agreements that retain all the terms of the expiring contract, except that the Unions involved in such expiring contract may each propose wage rates and employer contribution rates to employee benefit funds under the prior contract different from what those wage rates and employer contributions rates were under the expiring contracts. The terms of the Union's interim agreement offered to Signatory Contractors will be no less favorable than the terms offered by the Union to any other employer or group of employers covering the same type of construction work in Santa Barbara County.

6.4.2 Each of the Unions with a contract expiring must offer to continue working on the Project under all the terms of the expiring contract, including the wage rates and employer contribution rates to the employee benefit funds, if the Signatory Contractor affected by that expiring contract agrees to the following retroactive provisions: if a new MLA, local, regional or other applicable labor agreement for the industry having application at the Project is ratified and signed during the term of this Agreement and if such new labor agreement provides for retroactive wage increases, then each affected Signatory Contractor shall pay to its employees who performed work covered by this Agreement at the Project during the hiatus between the effective dates of such expired and new labor agreements, an amount equal to any such retroactive wage increase established by such new labor agreement, retroactive to whatever date is provided by the new labor agreement for such increase to go into effect, for each employee's hours worked on the Project during the retroactive period. All Parties agree that such affected Signatory Contractors shall be solely responsible for any retroactive payment to its employees.

6.4.3 Some Signatory Contractors may elect to continue to work on the Project under the terms of the interim agreement option offered under paragraph 6.4.1, above and other Contractors may elect to continue to work on the Project under the retroactivity option offered under paragraph 6.4.2, above. To decide between the two options, Signatory Contractors will be

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given one week after the particular labor agreement has expired or one week after the Union has personally delivered to the Signatory Contractors in writing its specific offer of terms of the interim agreement pursuant to paragraph (a) above, whichever is the later date. If the Signatory Contractor fails to timely select one of the two options, the Signatory Contractor shall be deemed to have selected the retroactivity option offered under paragraph 6.4.2, above.

Section 6.5 No Lockouts: Contractors shall not cause, incite, encourage, condone or participate in any lock-out of employees with respect to Project Work during the term of this Agreement. The term "lock-out" refers only to a Contractor's exclusion of employees in order to secure collective bargaining advantage, and does not refer to the discharge, termination or layoff of employees by the Contractor for any reason in the exercise of rights pursuant to any provision of this Agreement, or any other agreement, nor does "lock-out" include the County's decision to stop, suspend or discontinue any Project Work or any portion thereof for any reason.

Section 6.6 Best Efforts to End Violations:

6.6.1 If a Contractor contends that there is any violation of this Article or Section 7.3, it shall notify, in writing, the Executive Secretary of the Trades Council, the Senior Executive of the involved Union(s) and the Community Workforce Coordinator. The Executive Secretary and the leadership of the involved Union(s) will immediately instruct, order and use their best efforts to cause the cessation of any violation of the relevant Article.

6.6.2 If the Union contends that any Contractor has violated this Article, it will notify the Contractor and the Community Workforce Coordinator, setting forth the facts which the Union contends violate the Agreement, at least twenty-four (24) hours prior to invoking the procedures of Section 6.8. The Community Workforce Coordinator shall promptly order the involved Contractor(s) to cease any violation of the Article.

Section 6.7 Withholding of services for failure to pay wages and fringe benefits: Notwithstanding any provision of this Agreement to the contrary, it shall not be a violation of this Agreement for any Union to withhold the services of its members (but not the right to picket) from a particular Contractor who fails to timely pay its weekly payroll; or fails to make timely payments to the Union's Joint Labor/Management Trust Funds in accordance with the provisions of the applicable Master Labor Agreement. Prior to withholding its members' services for the Contractor's failure to make timely payments to the Union's Joint Labor/Management Trust Funds, the Union shall give at least ten (10) days written notice of such failure to pay by registered or certified mail, return receipt requested, and by electronic mail to the involved Contractor and the Community Workforce Coordinator. The Union will meet within the ten (10) day period to attempt to resolve the dispute.

6.7.1 Upon the payment of the delinquent Contractor of all monies due and then owing for wages and/or fringe benefit contributions, the Union shall direct its members to return to work and the Contractor shall return all such members back to work.

Section 6.8 Expedited Enforcement Procedure: Any party, including the County, which is an intended beneficiary of this Article, or the Community Workforce Coordinator, may institute the

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following procedures, in lieu of or in addition to any other action at law or equity, when a breach of Section 6.1, 6.5 or Section 7.3 is alleged.

6.8.1 The party invoking this procedure shall notify **Lou Zigman**, or, if Mr. Zigman is unavailable, **Sara Adler**, who have been selected by the negotiating Parties, and whom the Parties agree shall be the permanent arbitrator and alternate arbitrator under this procedure. If the permanent arbitrator is unavailable at any time, the party invoking this procedure shall notify Sara Adler. Notice to the arbitrator shall be by the most expeditious means available, with notices to the Parties alleged to be in violation, and to the Trades Council if it is a Union alleged to be in violation, and to the County. For purposes of this Article, written notice may be given by electronic mail, hand- delivery or overnight mail and will be deemed effective upon receipt. County reserves the right to utilize an arbitrator from Conflict Solutions Services, JAMS or ADR Services, Inc. if the named arbitrators are unable or unwilling to provide services.

6.8.2 Upon receipt of said notice, the arbitrator named above, or his/her alternate shall sit and hold a hearing within twenty-four (24) hours if it is contended that the violation still exists, but not sooner than twenty-four (24) hours after notice has been dispatched to the County, the Trades Council of the involved Union(s) and/or Contractor.

6.8.3 The arbitrator shall notify the Parties of the place and time chosen for this hearing. Said hearing shall be completed in one session, which, with appropriate recesses at the arbitrator's discretion, shall not exceed twenty-four (24) hours unless otherwise agreed upon by all Parties. A failure of any Party or Parties to attend said hearings shall not delay the hearing of evidence or the issuance of any award by the arbitrator.

6.8.4 The sole issue at the hearing shall be whether or not a violation of Sections 6.1, 6.5 or Section 7.3 has in fact occurred. The arbitrator shall have no authority to consider any matter in justification, explanation or mitigation of such violation or to award damages. The Award shall be issued in writing within three (3) hours after the close of the hearing and may be issued without an opinion. If any party desires a written opinion, one shall be issued within fifteen (15) days, but its issuance shall not delay compliance with, or enforcement of, the Award. The arbitrator may order cessation of the violation of the Article and other appropriate relief, and such Award, upon issuance, shall be served on all Parties by hand or registered mail.

6.8.5 Such Award shall be final and binding on all Parties and may be enforced by any court of competent jurisdiction upon the filing of this Agreement and all other relevant documents referred to herein above in the following manner. Written notice of the filing of such enforcement proceedings shall be given to the other party. In any judicial proceeding to obtain a temporary order enforcing the arbitrator's Award as issued under this Article, all Parties waive the right to a hearing and agree that such proceedings may be ex parte. Such agreement does not waive any Party's right to participate in a hearing for a final order of enforcement. The court's order or orders enforcing the arbitrator's award shall be served on all Parties by hand or by delivery to their address as shown on this Agreement (for the Trade Council, a Union and the County), as shown in their business contract for work under this Agreement (for a Contractor) and to the representing Union (for an employee), by certified mail by the Party or Parties first alleging the violation.

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6.8.6 Any rights created by statute or law governing arbitration proceedings inconsistent with the above procedure or which interfere with compliance hereto are hereby waived by the Parties to whom they accrue.

6.8.7 The fees and expenses of the arbitrator shall be equally divided between the party or Parties initiating this procedure and the respondent Party or Parties.

6.8.8 Liquidated Damages. If the arbitrator determines that a work stoppage, in violation of Sections 6.1 or 7.5 has occurred, the respondent Unions(s) shall, within eight (8) hours of receipt of the award, direct all the employees they represent on the project to immediately return to work. If the craft(s) involved does not return to work by the beginning of the next regularly scheduled shift following such eight (8) hour period after receipt of the arbitrator's award, and the respondent Union(s) have not complied with their obligation to immediately instruct, order, and use their best efforts to cause a cessation of the violation and return of the employees they represent to work, then the respondent Union(s) shall each pay a sum as liquidated damages in equal amounts to the County and the Contractor, and each shall pay an additional sum per shift for each shift thereafter on which the craft(s) has not returned to work.

Similarly, if the arbitrator determines that a lock-out, in violation of Section 6.5 has occurred, the respondent Contractor(s) shall, within eight (8) hours of receipt of the award, return all the affected employees to work on the Project, or otherwise correct the violation as found by the arbitrator. If the respondent Contractor(s) do not take such action by the beginning of the next regularly scheduled shift following the eight (8) hour period, each respondent Contractor shall pay a sum as liquidated damages in equal amounts to the County and to the affected Union(s) (with union amounts to be apportioned among the affected employees and the benefit funds to which contributions are made on their behalf, as appropriate and designated by the Arbitrator) and each shall pay an additional sum per shift for each shift thereafter in which compliance by the respondent Contractor(s) has not been completed.

The Arbitrator shall retain jurisdiction to determine compliance with this Section and to establish the appropriate sum of liquidated damages, which shall not be less than five thousand dollars ($5,000) per shift, nor more than twenty thousand dollars ($20,000) per shift.

ARTICLE 7
WORK ASSIGNMENTS AND JURISDICTIONAL DISPUTES

Section 7.1 Assignment of Work: The assignment of Project Work will be solely the responsibility of the Contractor performing the work involved; and such work assignments will be in accordance with the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry (the "Plan") or any successor Plan.

Section 7.2 The Plan: All jurisdictional disputes on this Project between or among the building and construction trades Unions and the Employers parties to this Agreement, shall be settled and adjusted according to the present Plan established by the Building and Construction Trades Department or any other plan or method of procedure that may be adopted in the future

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by the Building and Construction Trades Department. Decisions rendered shall be final, binding and conclusive on the Employers and Unions parties to this Agreement.

7.2.1 If a dispute arising under this Article involves the Southwest Regional Council of Carpenters or any of its subordinate bodies, an Arbitrator shall be chosen by the procedures specified in Article V, Section 5, of the Plan from a list composed of John Kagel, Thomas Angelo, Robert Hirsch, and Thomas Pagan, and the Arbitrator's hearing on the dispute shall be held at the offices of the applicable Building and Construction Trades Council within fourteen (14) days of the selection of the Arbitrator. All other procedures shall be as specified in the Plan.

Section 7.3 No Work Disruption Over Jurisdiction: All jurisdictional disputes shall be resolved without the occurrence of any strike, work stoppage, or slow-down of any nature, and the Employer's assignment shall be adhered to until the dispute is resolved. Individuals violating this section shall be subject to immediate discharge.

Section 7.4 Pre-Job Conferences: As provided in Article 14, each Employer will conduct a pre-job conference with the Council, the Unions and the Community Workforce Coordinator prior to commencing work. The Primary Employer and the Trades Council will be advised in advance of all such conferences set by the Community Workforce Coordinator and will participate. Pre-job conferences for different Employers may be held together.

Section 7.5 Resolution of Jurisdictional Disputes: If any actual or threatened strike, sympathy strike, work stoppage, slow down, sick-out, picketing, hand-billing or otherwise advising the public that a labor dispute exists, or interference with the progress of Project Work by reason of a jurisdictional dispute or disputes occurs, the Parties shall exhaust the expedited procedures set forth in the Plan, if such procedures are in the Plan then currently in effect, or otherwise as in Article 6 above.

ARTICLE 8
MANAGEMENT RIGHTS

Section 8.1 Contractor and County Rights: The County and the Contractors retain the full and exclusive authority for the management of its operations, as set forth in this Article, unless expressly limited or required by the other Articles of this Agreement. In addition to the following and other rights of the Contractors enumerated in this Agreement, the Contractors expressly reserve their management rights and all the rights conferred upon them by law. The Contractors' rights include, but are not limited to, the right to:

8.1.1 Plan, direct and control operations of all work;

8.1.2 Hire, promote, transfer and layoff their own employees, respectively, as deemed appropriate to satisfy work and/or skill requirements;

8.1.3 Promulgate and require all employees to observe reasonable job rules and security and safety regulations;

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8.1.4 Discharge, suspend or discipline their own employees for just cause;

8.1.5 Utilize, in accordance with County approval, any work methods, procedures or techniques, and select, use and install any types or kinds of materials, apparatus or equipment, regardless of source of manufacture or construction; assign and schedule work at their discretion; and

8.1.6 Assign overtime, determine when it will be worked, and the number and identity of employees engaged in such work, subject to such provisions in the applicable MLA(s) requiring such assignments be equalized or otherwise made in a nondiscriminatory manner.

Section 8.2 Specific County Rights: In addition to the following and other rights of the County enumerated in this Agreement, the County expressly reserves its management rights and all the rights conferred on it by law. The County's rights (and those of the Community Workforce Coordinator on its behalf) include but are not limited to the right to:

8.2.1 Inspect any construction site or facility to ensure that the Contractor follows the applicable safety, contract and other work requirements;

8.2.2 Require Contractors to establish a different work week or shift schedule for particular employees as required to meet the operational needs of the Project Work at particular locations;

8.2.3 At its sole option, terminate, delay and/or suspend any and all portions of the Project Work at any time; prohibit some or all work on certain days or during certain hours of the day to accommodate the ongoing operations of the County's facilities, programs, or services and/or to mitigate the effect of ongoing Project Work on businesses and residents in the neighborhood of the Project site; and/or require such other operational or schedule changes it deems necessary, in its sole judgment, to effectively maintain its primary mission and remain a good neighbor to those in the area of its facilities. (In order to permit the Contractors and Unions to make appropriate scheduling plans, the County will provide the Community Workforce Coordinator, and the affected Contractor(s) and Union(s) with reasonable notice of any changes it requires pursuant to this section; provided, however, that if notice is not provided in time to advise employees not to report for work, show-up pay shall be due pursuant to the provision of Article 6, Section 6.6);

8.2.4 Approve any work methods, procedures and techniques used by Contractors whether or not these methods, procedures or techniques are part of industry practices or customs, provided that nothing herein shall require such approval or extend any liability related to work performed by Contractors to the County;

8.2.5 Investigate and process complaints, through its Community Workforce Coordinator, in the matter set forth in Articles 6 and 9; and

8.2.6 Implement or cause to be implemented by a Contractor reasonable Project site safety, drug free workplace and/or site access rules.

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Section 8.3 Use of Materials: There should be no limitations or restriction by Union upon a Contractor's choice of materials or design, nor, regardless of source or location, upon the full use and utilization, of equipment, machinery, packaging, precast, prefabricated, prefinished, or preassembled materials, tools or other labor saving devices, subject to the application of the California Public Contract and Labor Codes as required by law in reference to offsite construction. Generally, the onsite installation or application of such items shall be performed by the craft having jurisdiction over such work. The County and its Community Workforce Coordinator shall advise all Contractors of, and enforce as appropriate, the off-site application of the prevailing wage law as it affects Project Work.

Section 8.4 Special Equipment, Warranties and Guaranties:

8.4.1 The Parties recognize that the Contractor will initiate from time to time the use of new technology, equipment, machinery, tools, and other labor-savings devices and methods of performing Project Work. The Union agrees that they will not restrict the implementation of such devices or work methods. The Unions will accept and will not refuse to handle, install or work with any standardized and/or catalogue: parts, assemblies, accessories, prefabricated items, preassembled items, partially assembled items, or materials whatever their source of manufacture or construction.

8.4.2 If any disagreement between the Contractor and the Unions concerning the methods of implementation or installation of any equipment, or device or item, or method of work, arises, or whether a particular part or pre-assembled item is a standardized or catalog part or item, the work will precede as directed by the Contractor and the Parties shall immediately consult over the matter. If the disagreement is not resolved, the affected Union(s) shall have the right to proceed through the procedures set forth in Article 9.

ARTICLE 9
SETTLEMENT OF GRIEVANCES AND DISPUTES

Section 9.1 Cooperation and Harmony on Site:

9.1.1 This Agreement is intended to establish and foster continued close cooperation between management and labor. The Trades Council shall assign a representative to this Project for the purpose of assisting the Unions, and working with the Community Workforce Coordinator, together with the Contractors, to complete the construction of the Project economically, efficiency, continuously and without any interruption, delays or work stoppages.

9.1.2 The Community Workforce Coordinator, the Contractors, Unions, and employees collectively and individually, realize the importance to all Parties of maintaining continuous and uninterrupted performance Project Work, and agree to resolve disputes in accordance with the grievance provisions set forth in this Article or, as appropriate, those of Article 6 or 7.

9.1.3 The Community Workforce Coordinator shall oversee the processing of grievances under this Article and Article 6, including the scheduling and arrangements of

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facilities for meetings, selection of the arbitrator from the agreed-upon panel to hear the case, and any other administrative matters necessary to facilitate the timely resolution of any dispute; provided, however, it is the responsibility of the principal parties to any pending grievance to insure the time limits and deadlines are met.

Section 9.2 Processing Grievances: Any questions arising out of and during the term of this Agreement involving its interpretation and application, which includes applicable provisions of the MLAs, but not jurisdictional disputes or alleged violations of Section 6.1 and 6.5 and similar provisions, shall be considered a grievance and subject to resolution under the following procedures.

Step 1. Employee Grievances: When any employee subject to the provisions of this Agreement feels aggrieved by an alleged violation of this Agreement, the employee shall, through his/her Union business representative or, job steward, within ten (10) working days after the occurrence of the violation, give notice to the work site representative of the involved Contractor stating the provision(s) alleged to have been violated. A business representative of the Union or the job steward and the work site representative of the involved Contractor shall meet and endeavor to resolve the matter within ten (10) working days after timely notice has been given. If they fail to resolve the matter within the prescribed period, the grieving party may, within ten (10) working days thereafter, pursue Step 2 of this grievance procedure provided the grievance is reduced to writing and signed under penalty of perjury, setting forth the relevant information, including a short description thereof, the date on which the alleged violation occurred, and the provision(s) of the Agreement alleged to have been violated. Grievances and disputes settled at Step 1 shall be non-precedential except as to the parties directly involved.

Union or Contractor Grievances: Should the Union(s) or any Contractor have a dispute with the other Party(ies) and, if after conferring within ten (10) working days after the disputing Party knew or should have known of the facts or occurrence giving rise to the dispute, a settlement is not reached within five (5) working days, the dispute shall be reduced to writing and processed to Step 2 in the same manner as outlined above for the adjustment of an employee complaint.

Step 2. The business manager of the involved Union or his designee, together with the site representative of the involved Contractor, and the labor relations representative of the Community Workforce Coordinator, shall meet within seven (7) working days of the referral of the dispute to this second step to arrive at a satisfactory settlement thereof. If the Parties fail to reach an agreement, the dispute may be appealed in writing in accordance with the provisions of Step 3 within seven (7) working days after the initial meeting at Step 2.

Step 3. (a) If the grievance shall have been submitted but not resolved under Step 2, either the Union or Contractor may request in writing to the Community Workforce Coordinator (with copies to the other Party(ies)) within seven (7) calendar days after the initial Step 2 meeting, that the grievance be submitted to an arbitrator selected from the agreed upon list of experienced construction industry arbitrators below, on a rotational basis in the order listed. Those arbitrators are: (1) **Louis Zigman**; (2) **Sara Adler**; (3) **Fredric Horowitz**; (4) **Walt Daugherty**; and (5) **William Rule**. The decision of the arbitrator shall be final and binding on

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all Parties and the fee and expenses of such arbitrations shall be borne equally by the involved Contractor(s) and the involved Union(s). County reserves the right to utilize an arbitrator from Conflict Solutions Services, JAMS or ADR Services, Inc. if the named arbitrators are unable or unwilling to provide services.

(b) Failure of the grieving Party to adhere to the time limits established herein shall render the grievance null and void. The time limits established herein may be extended only by written consent of the Parties involved at the particular step where the extension is agreed upon. The arbitrator shall have the authority to make decisions only on issues presented and shall not have the authority to change, amend, add to or detract from any of the provisions of this Agreement.

(c) The fees and expenses incurred by the arbitrator, as well as those jointly utilized by the Parties (e.g., conference room, court reporter, etc.) in arbitration, shall be divided equally by the Parties to the arbitration, including Union(s) and Contractor(s) involved.

Section 9.3 Limit on Use of Procedures: Procedures contained in this Article shall not be applicable to any alleged violation of Articles 6 or 7, with a single exception that any employee discharged for violation of Section 6.2, or Section 7.3, may resort to the procedures of this Article to determine only if he/she was, in fact, engaged in that violation.

Section 9.4 Notice: The Community Workforce Coordinator (and the County, in the case of any grievance regarding the Scope of this Agreement) shall be notified by the involved Contractor of all actions at Steps 2 and 3, and further, the Community Workforce Coordinator shall, upon its own request, be permitted to participate fully in all proceedings at such steps.

ARTICLE 10
REGULATORY COMPLIANCE

Section 10.1 Compliance with All Laws: The Trades Council and all Unions, Contractors, subcontractors and their employed shall comply with all applicable federal and state laws, ordinances, resolutions and regulations including, but not limited to, those relating to safety and health, employment and applications for employment. All employees shall comply with the safety regulations established by the County and/or the Contractor. Workers must promptly report any injuries or accidents as required by applicable policy and/or law.

Section 10.2 Monitoring Compliance: The Parties agree that the County shall require, and that the Community Workforce Coordinator and Trades Council shall monitor, compliance by all Contractors and subcontractors with all federal and state law regulations that, from time to time may apply to Project Work. It shall be the responsibility of both the Trades Council and the Community Workforce Coordinator (on behalf of the County) to investigate or monitor compliance with these various laws and regulations and any suspected non-compliance observes by the Trades Council shall be immediately reported to the Community Workforce Coordinator. The Trades Council may recommend to the Community Workforce Coordinator and/or the County procedures to encourage and enforce compliance with these laws and regulations.

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Section 10.3 Prevailing Wage Compliance: The Trades Council or Union shall refer all complaints regarding any potential prevailing wage violation to the Community Workforce Coordinator, who on its own, or with the assistance of the County's labor compliance program, shall process, investigate and resolve such complaints, consistent with Article 5, Section 5.4. The Trades Council or Union, as appropriate, shall be advised in a timely manner with regard to the facts and resolution, if any, of any complaint. It is understood that this Section does not restrict any individual rights as established under the California Labor Code, including the rights of an individual to file a complaint with the California Labor Commissioner or to file a grievance for such violation under the grievance procedure set forth in this Agreement.

Section 10.4 Violations of Law: Based upon a finding of violation by the County of a federal and/or state law, and upon notice to the Contractor that it or its subcontractors are in such violation, the County, in the absence of the Contractor or subcontractor remedying such violation, shall take such action as it is permitted by law or contract to encourage the Contractor to come into compliance, including, but not limited to, assessing fines and penalties, and/or removing the offending Contractor from Project Work. Additionally, in accordance with the Agreement between the County and the Contractor, the County may cause the Contractor to remove from Project Work any subcontractor who is in violation of state or federal law.

ARTICLE 11
SAFETY AND PROTECTION OF PERSON AND PROPERTY

Section 11.1 Safety:

11.1.1 It shall be the responsibility of each Contractor to ensure safe working conditions and employee compliance with any safety rules contained herein or established by the County and/or the Contractor. It is understood that employees have an individual obligation to use diligent care to perform their work in a safe manner and to protect themselves and the property of the Contractor and the County.

11.1.2 Employees shall be bound by the safety, security, and visitor rules established by the Contractor and/or the County. These rules will be published and posted. An employee's failure to satisfy his/her obligations under this section will subject him/her to discipline, up to and including discharge.

11.1.3 The Parties to this Agreement adopt the Tri Counties Building and Construction Trades Council Approved Drug and Alcohol Testing Policy, a copy of which is attached hereto as **Attachment "D,"** and which shall be the policy and procedure utilized under this Agreement.

Section 11.2 Suspension of Work for Safety: A Contractor may suspend all or a portion of the job to protect the life and safety of employees. In such cases, employees will be compensated only for the actual time worked; provided, however, that where the Contractor requests employees to remain at the site and be available for work, the employees will be compensated for stand-by time at their basic hourly rate of pay.

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Section 11.3 Water and Sanitary Facilities: The Contractor shall provide adequate supplies of drinking water and sanitary facilities for all employees as required by state law or regulation.

ARTICLE 12
TRAVEL AND SUBSISTENCE

Section 12.1 Travel expenses, travel time, subsistence allowances, zone rates and parking reimbursements shall be paid in accordance with the applicable prevailing wage determination.

ARTICLE 13
APPRENTICES

Section 13.1 Importance of Training: The Parties recognize the need to maintain continuing support of the programs designed to develop adequate numbers of competent workers in the construction industry, the obligation to capitalize on the availability of the local work force in the area served by the County, and the opportunities to provide continuing work under the construction program. To these ends, the Parties will facilitate, encourage, and assist local residents to commence and progress in an Approved Apprenticeship Programs and/or training programs in the construction industry leading to participation in such apprenticeship programs. The County, the Community Workforce Coordinator, and the Trades Council, will work cooperatively to identify, or establish and maintain, effective programs and procedures for persons interested in entering the construction industry and which will help prepare them for the formal joint Labor/Management apprenticeship programs maintained by the signatory Unions.

Section 13.2 Use of Apprentices:

13.2.1 Apprentices used on Projects under this Agreement shall be registered in Approved Apprenticeship Programs approved by the State of California and the Federal Department of Labor, to the extent required by any Project funding source. Apprentices may comprise up to thirty percent (30%) of each craft's work force at any time, unless the standards of the applicable joint apprenticeship committee confirmed by the Division of Apprenticeship Standards ("DAS"), establish a lower or higher maximum percentage, and where such is the case, the applicable Union should use its best efforts with its apprenticeship committee and, if necessary, the DAS to permit up to thirty percent (30%) apprentices on the Project.

13.2.2 The Unions agree to cooperate with the Contractor in furnishing apprentices as requested up to the maximum percentage. The apprentice ratio for each craft shall comply, at a minimum, with the applicable provisions of the California Labor Code relating to utilization of apprentices. The County shall encourage such utilization, and, both as to apprentices and the overall supply of experienced workers, the Community Workforce Coordinator will work with the Trades Council to assure appropriate and maximum utilization of apprentices and the continuing availability of both apprentices and journey persons.

13.2.3 The Parties agree that apprentices will not be dispatched to Contractors working under this Agreement unless there is a journeyman working on the project where the apprentice

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is to be employed who is qualified to assist and oversee the apprentice's progress through the program in which he is participating.

13.2.4 All apprentices shall work under the direct supervision of a journeyman from the trade in which the apprentice is indentured. A journeyman shall be defined as set forth in the California Code of Regulations, Title 8 [apprenticeship], Section 205, which defines a journeyman as a person who has either completed an accredited apprenticeship in his or her craft, or has completed the equivalent of an apprenticeship in length and content of work experience and all other requirements in the craft which has workers classified as journeyman in the apprenticeship occupation. Should a question arise as to a journeyman's qualification under this subsection, the Contractor shall provide adequate proof evidencing the worker's qualification as a journeyman to the Community Workforce Coordinator.

ARTICLE 14
PRE-JOB CONFERENCES

Section 14.1 Each Prime Contractor will conduct a pre-job conference with the Unions for it and all of its subcontractors not later than fourteen (14) calendar days prior to commencing work. Each Contractor conducting a pre-job shall notify all subcontractors of all tiers, who shall participate in such conferences, ten (10) calendar days in advance of all such conferences. The purpose of the conference will be to, among other things, determine craft manpower needs, schedule of work for the contract and project work rules/owner rules. The Trades Council, the Community Workforce Coordinator, and the County shall be advised in advance of all such conferences and will participate. All work assignments shall be disclosed by the Prime Contractor and all Contractors at the pre-job conference. Any Union in disagreement with the proposed assignment shall notify the Contractor of its position in writing, with a copy to Community Workforce Coordinator, within seven (7) calendar days thereafter. Within seven (7) calendar days after the period allowed for Union notices of disagreement with the Contractor's proposed assignments, but prior to the commencement of any work, the Contractor shall make final assignments in writing with copies to the Trades Council and to the Community Workforce Coordinator.

ARTICLE 15
SAVINGS AND SEPARABILITY

Section 15.1 Savings Clause: It is not the intention of the County, the Community Workforce Coordinator, Contractor or the Union parties to violate any laws governing the subject matter of this Agreement. The Parties hereto agree that in the event any provision of this Agreement is finally held or determined to be illegal or void as being in contravention of any applicable law or regulation, the remainder of the Agreement shall remain in full force and effect unless the part or parts so found to be void are wholly inseparable from the remaining portions of this Agreement. Further, the Parties agree that if and when any provision(s) of this Agreement is finally held or determined to be illegal or void by a court of competent jurisdiction, the Parties will promptly enter into negotiations concerning the substantive effect of such decision for the purposes of achieving conformity with the requirements of any applicable laws and the intent of the Parties hereto. If the legality of this Agreement is challenged and any form of injunctive relief is

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granted by any court, suspending temporarily or permanently the implementation of this Agreement, then the Parties agree that all Project Work that would otherwise be covered by this Agreement should be continued to be bid and constructed without application of this Agreement so that there is no delay or interference with the ongoing planning, bidding and construction of any Project Work.

Section 15.2 Effect of Injunctions or Other Court Orders: The Parties recognize the right of the County to withdraw, at its absolute discretion, the utilization of the Agreement as part of any bid specification should a Court of competent jurisdiction issue any order, or any applicable statute prohibiting this Agreement become effective which could result, temporarily or permanently in delay of the bidding, awarding and/or construction on the Project. Notwithstanding such an action by the County, or such court order or statutory provision, the Parties agree that the Agreement shall remain in full force and effect on covered Project Work to the maximum extent legally possible.

ARTICLE 16
WAIVER

Section 16.1 A waiver of or a failure to assert any provisions of this Agreement by any or all of the Parties hereto shall not constitute a waiver of such provision for the future. Any such waiver shall not constitute a modification of the Agreement or change in the terms and conditions of the Agreement and shall not relieve, excuse or release any of the Parties from any of their rights, duties or obligations hereunder.

ARTICLE 17
AMENDMENTS

Section 17.1 The provisions of this Agreement can be renegotiated, supplemented, rescinded or otherwise altered only by mutual agreement in writing, hereafter signed by the negotiating Parties hereto.

ARTICLE 18
ENTIRE AGREEMENT

Section 18.1 This Agreement represents the complete understanding of the Parties. The provisions of this Agreement shall apply to the Project Work covered by this Agreement.

Section 18.2 The parties agree that this Agreement covers all matters affecting wages, hours, and other terms and conditions of employment and that during the term of this Agreement the Parties will not be required to negotiate on any further matters affecting these or any other subject not specifically set forth in this Agreement except by mutual agreement of the Parties.

Section 18.3 This Agreement may be executed in counterparts, such that original signatures may appear on separate pages and when bound together all necessary signatures shall constitute an original. Facsimile or PDF signature pages transmitted to other parties to this Agreement shall be deemed the equivalent to original signatures.

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ARTICLE 19
DURATION OF THE AGREEMENT

Section 19.1 Duration:

19.1.1 This Agreement shall be effective from the date the Agreement is fully executed by the parties but no sooner than April 1, 2023 and shall remain in effect for a period of five (5) years from the date of adoption.

19.1.2 Any Project commenced during the term of this Agreement shall continue to be covered by the terms and conditions of this Agreement until the Project Work is completed.

Section 19.2 Turnover and Final Acceptance of Completed Work:

19.2.1 Construction of any phase, portion, section, or segment of a Project shall be deemed complete when such phase, portion, section or segment has been turned over to the County by the Contractor and the County has accepted such phase, portion, section, or segment. As areas and systems of the Project are inspected and construction-tested and/or approved and accepted by the County or third parties with the approval of the County, the Agreement shall have no further force or effect on such items or areas, except when the Contractor is directed by the County to engage and repairs or modifications required by its contract(s) with the County.

19.2.2 Notice of each final acceptance received by the Contractor will be provided to the Trades Council with the description of what phase, portion, section or segment, etc. has been accepted. Final acceptance may be subject to a "punch" list, and in such case, the Agreement will continue to apply to each such item on the list until it is completed to the satisfaction of the County and Notice of Acceptance is given by the County or its representative to the Contractor. At the request of the Union, complete information describing any "punch" list work, as well as any additional work required of a Contractor at the direction of the County, involving otherwise turned over and completed facilities which have been accepted by the County, will be available from the Community Workforce Coordinator.

IN WITNESS whereof the Parties have caused this Continuity of Work Agreement to be executed as of the date and year stated below.

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COUNTY OF SANTA BARBARA; SANTA BARBARA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT; SANTA BARBARA COUNTY WATER AGENCY; LAGUNA COUNTY SANITATION DISTRICT; and SANTA BARBARA COUNTY FIRE PROTECTION DISTRICT

By: _____
Joan Hartmann
Chair, Board of Supervisors
Chair, Board of Directors

Dated: 12-2-22

TRI-COUNTIES BUILDING & CONSTRUCTION TRADES COUNCIL

By: _____
Joshua Medrano
Executive Secretary-Treasurer

Dated: _____

ATTEST:
Mona Miyasato
County Executive Officer
Clerk of the Santa Barbara County Board of Supervisors
Ex Officio Clerk of the Santa Barbara County Flood Control and Water Conservation District, Santa Barbara County Water Agency, Laguna County Sanitation District, and Santa Barbara County Fire Protection District

By: _____
Deputy Clerk

RECOMMENDED FOR APPROVAL:
Scott D. McGolpin
Public Works Director

By: _____
Public Work

APPROVED AS TO FORM:
Greg Milligan, ARM
Risk Manager

By: Greg Milligan, Risk Manager — Digitally signed by Greg Milligan, Risk Manager Date: 2022.11.29 16:16:05 -08'00'
Risk Management

APPROVED AS TO FORM:
Rachel Van Mullem
County Counsel

By: _____
Deputy County Counsel

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TRI-COUNTIES BUILDING AND CONSTRUCTION TRADES COUNCIL CRAFT UNIONS AND DISTRICT COUNCILS

Asbestos Heat & Frost Insulators (Local 5) _____

Address for Notice:

Boilermakers (Local 92) _____

Address for Notice:

Bricklayers & Allied Craftworkers (Local 4) _____

Address for Notice:

Cement Masons (Local 600) _____

Address for Notice:

Electricians (Local 413) _____

Address for Notice:

Elevator Constructors (Local 18) _____

Address for Notice:

Iron Workers (Reinforced – Local 416) _____

Address for Notice:

Iron Workers (Structural – Local 433) _____

Address for Notice:

Laborers (Local 220) _____

Address for Notice:

Operating Engineers (Local 12) _____

Address for Notice:

Operating Engineers (Local 12) _____

Address for Notice:

Operating Engineers (Local 12) _____

Address for Notice:

Painters & Allied Trades DC 36 _____

Address for Notice:

U.A. D.C. 16 _____

Address for Notice:

Pipe Trades (Local 345) _____

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Address for Notice:

Pipe Trades (Sprinkler Fitters Local 669) _____

Address for Notice:

Plasterers (Local 200) _____

Address for Notice:

Roofers & Waterproofers (Local 36) _____

Address for Notice:

Sheet Metal Workers (Local 104) _____

Address for Notice:

Teamsters (Local 986) _____

Address for Notice:

Southwest Regional Council of Carpenters _____

Address for Notice:

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ATTACHMENT A
LIST OF APPLICABLE MASTER LABOR AGREEMENTS

[TO BE PROVIDED BY THE TRADES COUNCIL]

Union	MLA Term
Asbestos Heat & Frost Insulators (Local 5)	_____
Boilermakers (Local 92)	_____
Bricklayers & Allied Craftworkers (Local 4)	_____
Cement Masons (Local 600)	_____
Electricians (Local 413)	_____
Elevator Constructors (Local 18)	_____
Iron Workers (Reinforced – Local 416)	_____
Iron Workers (Structural – Local 433)	_____
Laborers (Local 220)	_____
Operating Engineers (Local 12)	_____
Operating Engineers (Local 12)	_____
Operating Engineers (Local 12)	_____
Painters & Allied Trades DC 36	_____
U.A. D.C. 16	_____
Pipe Trades (Local 345)	_____
Pipe Trades (Sprinkler Fitters Local 669)	_____
Plasterers (Local 200)	_____
Roofers & Waterproofers (Local 36)	_____
Sheet Metal Workers (Local 104)	_____
Teamsters (Local 986)	_____
Southwest Regional Council of Carpenters	_____

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ATTACHMENT B
LETTER OF ASSENT

To be signed by all contractors awarded work covered by the Community Workforce Agreement prior to commencing work.

[Contractor's Letterhead]

Community Workforce Coordinator

Attn: _____

Re: County of Santa Barbara Community Workforce Agreement - Letter of Assent

Dear Sir:

This is to confirm that [*name of company*] agrees to be party to and bound by the County of Santa Barbara Community Workforce Agreement ("Agreement") effective _____, 2022, as such Agreement may, from time to time, be amended by the negotiating parties or interpreted pursuant to its terms. Such obligation to be a party and bound by this Agreement shall extend to all work covered by the Agreement undertaken by this Company on the project and this Company shall require all of its contractors and subcontractors of whatever tier to be similarly bound for all work within the scope of the Agreement by signing and furnishing to you an identical Letter of Assent prior to their commencement of work.

Sincerely,

[Name of Construction Company]

By: _____

Name: _____

Title: _____

Contractor State License No. _____

Project: _____

[Copies of this letter must be submitted to the Tri-Counties Building and Construction Trades Council per Section 2.5.2]

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ATTACHMENT C
COUNTY OF SANTA BARBARA
COMMUNITY WORKFORCE AGREEMENT
CRAFT REQUEST FORM

TO THE CONTRACTOR: Please complete and fax or email this form to the applicable union to request craft workers that fulfill the hiring requirements for this project. After faxing or emailing your request, please call the Union to verify receipt and substantiate their capacity to furnish workers as specified below. Please print your Fax Transmission Verification Reports or email and keep copies for your records.

The County of Santa Barbara Community Workforce Agreement establishes a goal that 50% of all of the construction labor hours worked on the Project shall be from qualified workers residing, as well as "Veterans," regardless of where they reside: First, Area Residents residing in the County of Santa Barbara; second, within San Luis Obispo and Ventura Counties. For Dispatch purposes, employees residing within either of these two (2) areas, as well as Veterans, regardless of where they reside, shall be referred to as Local Area Residents.

TO THE UNION: Please complete the "Union Use Only" section on the next page and fax this form back to the requesting Contractor. Be sure to retain a copy of this form for your records.

CONTRACTOR USE ONLY

To: Union Local # _____ **Fax#** (___) _____ **Date:** _____

Cc: Community Workforce Coordinator

From: Company: _____ Issued By: _____

Contact Phone: (___) _____ Contact Fax: (___) _____

PLEASE PROVIDE ME WITH THE FOLLOWING UNION CRAFT WORKERS.

Craft Classification (i.e., plumber, painter, etc.)	Journeyman or Apprentice	Local Area Resident or General Dispatch	Number of workers needed	Report Date	Report Time
TOTAL WORKERS REQUESTED = _____					

Please have worker(s) report to the following work address indicated below:

Project Name: _____ Site: _____ Address: _____

Report to: _____ On-site Tel: _____ On-site Fax: _____

Comment or Special Instructions: _____

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UNION USE ONLY

Date dispatch request received:
Dispatch received by:
Classification of worker requested:
Classification of worker dispatched:

WORKER REFERRED

Name:		
Date worker was dispatched:		
Is the worker referred a:	(check all that apply)	
JOURNEYMAN	Yes _____	No _____
APPRENTICE	Yes _____	No _____
LOCAL AREA RESIDENT	Yes _____	No _____
GENERAL DISPATCH FROM OUT OF WORK LIST	Yes _____	No _____

[This form is not intended to replace a Union's Dispatch or Referral Form normally given to the employee when being dispatched to the jobsite.]

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ATTACHMENT D
TRI-COUNTIES BUILDING AND CONSTRUCTION
TRADES COUNCIL
APPROVED
DRUG AND ALCOHOL TESTING POLICY

The Parties recognize the problems which drug and alcohol abuse have created in the construction industry and the need to develop drug and alcohol abuse prevention programs. Accordingly, the Parties agree that in order to enhance the safety of the workplace and to maintain a drug and alcohol-free work environment, individual Employers may require applicants or employees to undergo drug and alcohol testing.

1. It is understood that the use, possession, transfer or sale of illegal drugs, narcotics, or other unlawful substances, as well as being under the influence of alcohol and the possession or consuming alcohol is absolutely prohibited while employees are on the Employer's job premises or while working on any jobsite in connection with work performed under the Community Workforce Agreement ("CWA").

2. No Employer may implement a drug testing program which does not conform in all respects to the provisions of thisPolicy.

3. No Employer may implement drug testing at any jobsite unless written notice is given to the Union setting forth the location of the jobsite, a description of the project under construction, and the name and telephone number of the Project Supervisor. Said notice shall be addressed to the office of each Union signing the CWA. Said notice shall be sent by email or by registered mail before the implementation of drug testing. Failure to give such notice shall make any drug testing engaged in by the Employer a violation of the CWA, and the Employer may not implement any form of drug testing at such jobsite for the following six months.

4. An Employer who elects to implement drug testing pursuant to this Agreement shall require all employees on the Project to be tested. With respect to individuals who become employed on the Project subsequent to the proper implementation of a valid drug testing program, such test shall be administered upon the commencement of employment on the project, whether by referral from a Union Dispatch Office, transfer from another project, or another method. Individuals who were employed on the project prior to the proper implementation of a valid drug testing program may only be subjected to testing for the reasons set forth in paragraphs 5(g)(l) through 5(g)(3) and paragraphs 6(a) through 6(e) of this Policy. Refusal to undergo such testing shall be considered sufficient grounds to deny employment onthe project.

5. The following procedure shall apply to all drug testing:

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a. The Employer may request urine samples only. The applicant or employee shall not be observed when the urine specimen is given. An applicant or employee, at his or her sole option, shall, upon request, receive a blood test in lieu of a urine test. No employee of the Employer shall draw blood from a bargaining unit employee, touch or handle urine specimens, or in any way become involved in the chain of custody of urine or blood specimens. A Union Business Representative, subject to the approval of the individual applicant or employee, shall be permitted to accompany the applicant or employee to the collection facility to observe the collection, bottling, and sealing of the specimen.

b. An employer may request an applicant to perform an alcohol breathalyzer test, at a certified laboratory only and cutoff levels shall be those mandated by applicable state or federal law.

c. The testing shall be done by a laboratory approved by the Substance Abuse & Mental Health Services Administration (SAMHSA), which is chosen by the Employer and the Union.

d. An initial test shall be performed using the Enzyme Multiplied Immunoassay Technique (EMIT). In the event a question or positive result arises from the initial test, a confirmation test must be utilized before action can be taken against the applicant or employee. The confirmation test will be by Gas Chromatography/Mass Spectrometry (GC/MS). Cutoff levels for both the initial test and confirmation test will be those established by SAMHSA. Should these SAMHSA levels be changed during the course of this Agreement or new testing procedures are approved, then these new regulations will be deemed as part of this existing Agreement. Confirmed positive samples will be retained by the testing laboratory in secured long-term frozen storage for a minimum of one year. Handling and transportation of each sample must be documented through strict chain of custody procedures.

e. In the event of a confirmed positive test result the applicant or employee may request, within forty-eight (48) hours, a sample of his/her specimen from the testing laboratory for purposes of a second test to be performed at a second laboratory, designated by the Union and approved by SAMHSA. The retest must be performed within ten (10) days of the request. Chain of custody for this sample shall be maintained by the Employer between the original testing laboratory and the Union's designated laboratory. Retesting shall be performed at the applicant's or employee's expense. In the event of conflicting test results the Employer may require a third test.

f. If, as a result of the above testing procedure, it is determined that an applicant or employee has tested positive, this shall be considered sufficient grounds to deny the applicant or employee his/her employment on the project.

g. No individual who tests negative for drugs pursuant to the above procedure and becomes employed on the project shall again be subjected to drug testing with the following exceptions:

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1. Employees who are involved in industrial accidents resulting in damage to plant, property or equipment or injury to him/her or others may be tested for drug or alcohol pursuant to the procedures stated hereinabove.

2. The Employer may test employees following thirty (30) days advance written notice to the employee(s) to be tested and to the applicable Union. Notice to the applicable Union shall be as set forth in paragraph 3 above and such testing shall be pursuant to the procedures stated hereinabove.

3. The Employer may test an employee where the Employer has reasonable cause to believe that the employee is impaired from performing his/her job. Reasonable cause shall be defined as being aberrant or unusual behavior, the type of which is a recognized and accepted symptom of impairment (i.e., slurred speech, unusual lack of muscular coordination, etc.). Such behavior must be actually observed by at least two persons, one of whom shall be a supervisor who has been trained to recognize the symptoms of drug abuse or impairment and the other of whom shall be the Job Steward. If the Job Steward is unavailable or there is no Job Steward on the project the other person shall be a member of the applicable Union's bargaining unit. Testing shall be pursuant to the procedures stated hereinabove. Employees who are tested pursuant to the exceptions set forth in this paragraph and who test positive will be removed from the Employer's payroll.

h. Applicants or employees who do not test positive shall be paid for all time lost while undergoing drug testing. Payment shall be at the applicable wage and benefit rates set forth in the applicable Union's Master Labor Agreement. Applicants who have been dispatched from the Union and who are not put to work pending the results of a test will be paid waiting time until such time as they are put to work. It is understood that an applicant must pass the test as a condition of employment. Applicants who are put to work pending the results of a test will be considered probationary employees.

6. The Employers will be allowed to conduct periodic jobsite drug testing on the Project under the following conditions:

a. The entire jobsite must be tested, including any employee or subcontractor's employee who worked on that project three (3) working days before or after the date of the test;

b. Jobsite testing cannot commence sooner than fifteen (15) days after start of the work on the project;

c. Prior to start of periodic testing, a Business Representative will be allowed to conduct an educational period on company time to explain periodic jobsite testing program to affected employees;

d. Testing shall be conducted by a SAMHSA certified laboratory, pursuant to the

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provisions set forth in paragraph 5 hereinabove.

e. Only two (2) periodic tests may be performed in a twelve (12) month period.

7. It is understood that the unsafe use of prescribed medication, or where the use of prescribed medication impairs the employee's ability to perform work, is a basis for the Employer to remove the employee from the jobsite.

8. Any grievance or dispute which may arise out of the application of this Agreement shall be subject to the grievance and arbitration procedures set forth in the CWA.

9. The establishment or operation of this Policy shall not curtail any right of any employee found in any law, rule or regulation. Should any part of this Agreement be found unlawful by a court of competent jurisdiction or a public agency having jurisdiction over the parties, the remaining portions of the Agreement shall be unaffected, and the parties shall enter negotiations to replace the affected provision.

10. Present employees, if tested positive, shall have the prerogative for rehabilitation program at the employee's expense. When such program has been successfully completed the Employer shall not discriminate in any way against the employee. If work for which the employee is qualified exists, he/she shall be reinstated.

11. The Employer agrees that results of urine and blood tests performed hereunder will be considered medical records held confidential to the extent permitted or required by law. Such records shall not be released to any persons or entities other than designated Employer representatives andthe applicable Union. Such release to the applicable Union shall only be allowed upon the signing of a written release and the information contained therein shall not be used to discourage the employment of the individual applicant or employee on any subsequent occasion.

12. The Employer shall indemnify and hold the Union harmless against any and all claims, demands, suits, or liabilities that may arise out of the application of this Agreement and/or any program permitted hereunder.

13. Employees who seek voluntary assistance for substance abuse may not be disciplined for seeking such assistance. Requests from employees for such assistance shall remain confidential and shall not be revealed to other employees or management personnel without the employee's consent. Employees enrolled in substance abuse programs will be subject to all Employer rules, regulations and job performance standards with the understanding that an employee enrolled in such a program is receiving treatment for an illness.

14. The parties agree to develop and implement a drug abuse prevention and testing program for all apprentices entering the industry.

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15. This Memorandum of Understanding shall constitute the only Agreement in effect between the parties concerning drug and alcohol abuse, prevention and testing. Any modifications thereto must be accomplished pursuant to collective bargaining negotiations between the parties.

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APPENDIX A: SPECIMEN REPORTING CRITERIA

Initial Test Analyte	Initial Test Cutoff [1]	Confirmatory Test Analyte	Confirmatory Test Cutoff Concentration
Marijuana metabolites (THCA)[2]	50 ng/ml [3]	THCA	15 ng/ml
Cocaine metabolite (Benzoylecgonine)	150ng/ml[3]	Benzoylecgonine	100 ng/ml
Codeine/ Morphine	2000 ng/ml	Codeine Morphine	2000 ng/ml 2000 ng/ml
Hydrocodone/ Hydromorphone	300 ng/ml	Hydrocodone Hydromorphone	100 ng/ml 100 ng/ml
Alcohol	0.02%	Ethanol	0.02%
Oxycodone/ Oxymorphone	100 ng/ml	Oxycodone Oxymorphone	100 ng/ml 100 ng/ml
6-Acetylmorphine	10 ng/ml	6-Acetylmorphine	10 ng/ml
Phencyclidine	25 ng/ml	Phencyclidine	25 ng/ml
Amphetamine/ Methamphetamine	500 ng/ml	Amphetamine Methamphetamine	250ng/ml 250 ng/ml

[1] For grouped analytes (i.e., two or more analytes that are in the same drug class and have the same initial test cutoff):

Immunoassay: The test must be calibrated with one analyte from the group identified as the target analyte. The cross-reactivity of the immunoassay to the other analyte(s) within the group must be 80 percent or greater; if not, separate immunoassays must be used for the analytes within the group.

Alternate technology: Either one analyte or all analytes from the group must be used for calibration, depending on the technology. At least one analyte within the group must have a concentration equal to or greater than the initial test cutoff or, alternatively, the sum of the analytes present (i.e., equal to or greater than the laboratory's validated limit of quantification) must be equal to or greater than the initial test cutoff.

[2] An immunoassay must be calibrated with the target analyte, 9-tetrahydrocannabinoJ-9- carboxylic acid (THCA).

[3] **Alternate technology (THCA and benzoylecgonine):** The confirmatory test cutoff must be used for an alternate technology initial test that is specific for the target analyte (i.e., 15 ng/ml for THCA, 100 ng/ ml for benzoylecgonine).

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MDMA[4]/MDA[5]	500 ng/ml	MDMA MDA	250ng/ml 250 ng/ml
Initial Test Analyte	Initial Test Cutoff	Confirmatory Test Analyte	Confirmatory Test Cutoff Concentration
Barbiturates	300 ng/ml	Barbiturates	200 ng/ml
Benzodiazepines	300 ng/ml	Benzodiazepines	300 ng/ml
Methadone	300 ng/ml	Methadone	100 ng/ml
Methaqualone	300 ng/ml	Methaqualone	300 ng/ml
Propoxyphene	300 ng/ml	Propoxyphene	100 ng/ml

[4] Methylenedioxymethamphetamine (MDMA)
[5] Methylenedioxyamphetamine (MDA)

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SIDE LETTER OF AGREEMENT

TESTING POLICY FOR DRUG ABUSE

It is hereby agreed between the parties hereto that an Employer who has otherwise properly implemented drug testing, as set forth in the Testing Policy for Drug Abuse, shall have the right to offer an applicant or employee a "quick" drug screening test. This "quick" screen test shall consist either of the "ICUP" urine screen or similar test or an oral screen test. The applicant or employee shall have the absolute right to select either of the two "quick" screen tests, or to reject both and request a full drug test.

An applicant or employee who selects one of the "quick" screen tests, and who passes the test, shall be put to work immediately. An applicant or employee who fails the "quick" screen test, or who rejects the "quick" screen tests, shall be tested pursuant to the procedures set forth in the Testing Policy for Drug Abuse. The sample used for the "quick" screen test shall be discarded immediately upon conclusion of the test. An applicant or employee shall not be deprived of any rights granted to them by the Testing Policy forDrug Abuse as a result of any occurrence relatedto the "quick" screen test.

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– END OF ATTACHMENT B –

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ATTACHMENT C

BHCIP PROGRAM FUNDING AGREEMENT

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SAMPLE

PROGRAM FUNDING AGREEMENT

****

SUMMARY COVER SHEET

Program Funding Agreement ID	**7690-CA BHCIP-{{ composite_uid }}-01**
Program Agreement Effective Date:	
Program Funding Agreement Manager:	**ADVOCATES FOR HUMAN POTENTIAL, INC., a Massachusetts corporation (AHP)** 490-B Boston Post Road, Sudbury, MA 01776-3365 Tel: +1 (978) 443-0055 ♦ Fax: (978) 428-2571 **AHP Contracting Officer:** General Counsel Tel: +1 (978) 443-0055 (o) | legalnotices@ahpnet.com **AHP Designated Representatives:** Steve Thronson, Senior Program Director Tel: +1 (323) 545-6627 (o) | BONDBHCIPRound2@ahpnet.com Nichole Rupp, Program Director Tel: +1 (626) 757-0009 (o) | BONDBHCIPRound2@ahpnet.com
Sponsor:	**{{ legal_entity_name | upper }}, {{ typ_of_legal_entity }}** {{ lead_authorized_repersentative_address_business }} {{ lead_auth_rep_city_business }}, {{ lead_auth_rep_state_business }} {{ lead_auth_rep_zip_business }} **Sponsor Designated Representative:** {{ lead_authorized_rep }} Tel: {{ lar_office_num_sow }} | {{ lar_email_sow }}
Prime Contract Identification:	**State Department of Health Care Services** **Agreement No.: 24-40117** **Contract Title:** *California Bond Behavioral Health Continuum Infrastructure Program (Bond BHCIP)*
Contract Type:	Deliverable Based Program Funding Agreement
Period of Performance:	[Effective Date] through June 30, 2031
Consideration/Budget:	Bond BHCIP Round 2 Unmet Needs Program Funding **Not to Exceed {{ grant_amt_requested_curated }}**
Billing Terms:	See Attachment E-Payment Schedule

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SAMPLE

This Program Funding Agreement (the "**Agreement**") is entered into as of _____ (the "**Effective Date**"), by and between **ADVOCATES FOR HUMAN POTENTIAL, INC.**, a Massachusetts corporation, with offices located at **490-B Boston Post Road, Sudbury, MA 01776** ("**AHP**"), and **{{ legal_entity_name }}**, {{ typ_of_legal_entity }}, with offices located at **{{ lead_authorized_representative_address_business }}, {{ lead_auth_rep_city_business }}, {{ lead_auth_rep_state_business }} {{ lead_auth_rep_zip_business }}** ("**{{ entity_name }}**" or the "**Sponsor**"). AHP and the Sponsor may be referred to separately as a "**Party**" or collectively as "**Parties**."

RECITALS

A. The State of California (the "**State**"), through the Department of Health Care Services ("**DHCS**"), has entered into an agreement with AHP, a private consulting and research firm focused on improving health and human services systems, to assist with management of the Behavioral Health Infrastructure Bond Act of 2024 funds ("**Bond BHCIP Funds**") and to administer the Behavioral Health Continuum Infrastructure Program ("**BHCIP**" or "**Program**"), as amended. The agreement between DHCS and AHP shall hereinafter be referred to as the "**Prime Contract;**"

B. Pursuant to the requirements of BHCIP and DHCS guidelines, qualified grantees or entities shall use an award of Bond BHCIP Funds to expand the community capacity for serving persons with behavioral health disorders by the acquisition, construction, renovation, or other physical improvement of real property, infrastructure, or facilities;

C. DHCS oversees BHCIP to award Bond BHCIP Funds to qualified entities to construct, acquire, and rehabilitate real estate assets to address significant crisis care gaps in California's behavioral health (mental health and substance use disorder) infrastructure;

D. In response to that certain Request for Applications for Bond BHCIP Round 2: Unmet Needs issued by DHCS on or about May 30, 2025 (the "**RFA**"), for the Bond BHCIP Funds, the Sponsor submitted an application ("**Application**") to construct the project described in the Statement of Work, **Attachment D** ("**SOW**"), located at {{ proposed_address }}, {{ proj_city }}, {{ proj_state }} {{ proj_zip }} (the "**Project**"); and the Sponsor has been awarded Bond BHCIP Funds for the Project in an amount not to exceed {{ amt_awarded_written }} ({{ grant_amt_requested_curated }}) ("**Program Funds**"); and

E. This Agreement sets forth the terms and conditions of AHP's management and administration of the Program Funds and the Sponsor's duties and obligations related to its receipt of Program Funds. Capitalized terms not defined herein shall have the meanings ascribed thereto in the California Welfare and Institutions Code sections 5960–5960.4.

NOW, THEREFORE, based upon the foregoing, and in consideration of the mutual covenants and agreements herein set forth, the Parties agree as follows:

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SAMPLE

ARTICLE 1.
AUTHORITY

California Assembly Bill 133 (Chapter 143, Statutes of 2021) ("**AB 133**") added sections 5960–5960.45 to the California Welfare and Institutions Code, providing the statutory basis for the Program.

The Behavioral Health Infrastructure Bond Act of 2024 (section 4, Chapter 4 of California Assembly Bill 531 ("**AB 531**")), that provided, in part, for the: (a) addition of section 5965.04 to the California Welfare and Institutions Code allocating additional funding to the Program; and (b) repealed section 5960.45 from the California Welfare and Institutions Code.

DHCS, as part of the California Health and Human Services Agency, issued the RFA for the Bond BHCIP Funds, and AHP provides pre-application consultation, technical assistance, general training, and support on individual BHCIP projects, as well as management and administration of the Bond BHCIP Funds.

This Agreement is entered under the authority of and in furtherance of the Program. This Agreement is the result of the Application by the Sponsor for funding under BHCIP.

This Agreement hereby incorporates by reference the Sponsor's approved Application, as well as any report prepared by AHP in reliance on the representations and descriptions included in that Application. This Agreement is governed by the following (collectively, the "**Program Requirements**"), and each of the following, as amended and in effect from time to time, is hereby incorporated by this reference as if set forth herein in full:

1.1 AB 133, including any subsequent amendments to the statutes contained therein;

1.2 AB 531, including any subsequent amendment to the statutes contained therein;

1.3 California Welfare and Institutions Code Division 5, Part 7, Chapter 1, including any subsequent amendment to the statutes contained therein;

1.4 The Behavioral Health Infrastructure Bond Act of 2024 (California Welfare and Institutions Code Division 5, Part 7, Chapter 4) including any subsequent amendment to the statutes contained therein;

1.5 The State General Obligation Bond Law (Chapter 4 (commencing with section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), including any subsequent amendments to the statutes contained therein, with the exception of subdivisions (a) and (b) of section 16727 of the Government Code;

1.6 All California State Treasurer's Office, California Department of Finance, and Internal Revenue Service statutes, regulations, and sub-regulatory guidance applicable to bond funded programs;

1.7 The RFA, in the form attached to this Agreement as **Attachment J**; Notwithstanding any incorporation of the RFA into this Agreement, the parties expressly agree that the portion of Section 2.8 of the RFA providing, 'if an applicant has a current Negotiated Indirect Cost Rate Agreement (NICRA) established with

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a federal cognizant agency responsible for reviewing, negotiating, and approving cost allocation plans or indirect cost proposals, then the applicant may use its current NICRA as the basis for indirect costs,' shall **not** apply and is hereby excluded from this Agreement. The parties expressly agree that the applicable indirect cost rate for indirect costs shall be determined by DHCS in its sole discretion

1.8 Guidance issued by DHCS regarding the Program;

1.9 Program Guidelines, or Program Manuals, as adopted by DHCS, and as may be amended from time to time;

1.10 The Notice of Conditional Grant Award letter issued by DHCS to the Sponsor (the "**Notice of Conditional Award Letter**") attached to this Agreement as **Attachment K**; State Requirements attached to this Agreement as **Attachment A**; Certification Regarding Lobbying attached to this Agreement as **Attachment B**; the Sponsor Public Works Certification attached to this Agreement as **Attachment C**; Statement of Work attached to this Agreement as **Attachment D**; Payment Schedule attached to this Agreement as **Attachment E**; the Sponsor Compliance Certifications attached to this Agreement as **Attachment F**; Performance Milestones attached to this Agreement as **Attachment G**; Regulatory Agreement and Declaration of Restrictions ("**Declaration of Restrictions")** attached to this Agreement as **Attachment H**; Construction Contract Addendum attached to this Agreement as **Attachment I**; and Facility Access Agreement attached to this Agreement as **Attachment L**; and

1.11 All other applicable law, including, but not limited to, California Labor Code statutes applicable to public works projects.

The Sponsor is solely responsible and liable for the Sponsor's and the Sponsor's subcontractors' performance and compliance with this Agreement, the above-referenced Program Requirements, and all other local, state, and federal laws applicable to the Project.

ARTICLE 2.
TERM

2.1 This Agreement shall commence on the Effective Date and shall automatically expire concurrently with the expiration of the Prime Contract, on June 30, 2031 (the "**Expiration Date**"); unless, prior to the date of expiration of the Prime Contract, AHP shall assign, and DHCS shall accept, an assignment of AHP's duties and obligations pursuant to this Agreement (the period from the Effective Date through the Expiration Date shall be referred to herein as the "**Term**"), unless earlier terminated by AHP or DHCS.

2.2 Upon the expiration of the Term, there shall be no extension or renewal of the Term of this Agreement, unless the Parties and DHCS otherwise agree in writing.

2.3 Notwithstanding the foregoing or anything to the contrary contained herein, AHP and/or DHCS shall have the termination rights as set forth in Article 9 and Article 10 of this Agreement.

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SAMPLE

ARTICLE 3.
PROGRAM FUNDS

The Sponsor has been awarded the Program Funds in the amount set forth in this Agreement to be used solely for the purposes set forth in this Agreement and as detailed in the SOW and for no other purposes. The Sponsor shall be responsible for any costs to complete the Project in excess of the Program Funds award amount. The Sponsor shall return any excess or remaining Program Funds to the State upon completion of the Project.

This Agreement is entered into, and the obligation to fund is made, based upon the appropriation and availability of funds from the Behavioral Health Infrastructure Fund as defined in and created pursuant to California Welfare and Institutions Code section 5965.03. In the event that this appropriation is reduced subsequent to the Effective Date of this Agreement, AHP may, with written approval from DHCS, reduce the amount of Program Funds awarded to the Sponsor or cease to provide funding and pursuant to Section 10.1 of this Agreement, terminate the Agreement.

ARTICLE 4.
CONDITIONS OF DISBURSEMENT

AHP shall disburse the Program Funds to the Sponsor for the amount of any allowable, reasonable, actual and documented Project specific fees and expenses incurred by the Sponsor on or after [_____], 2026, the date of the Notice of Conditional Award Letter, issued by DHCS to the Sponsor, upon DHCS's determination, in its sole discretion, that the requirements described in Section 4.1 below have been satisfied.

Program Funds disbursed for real property acquisition shall be disbursed only upon satisfaction of the requirements in Section 4.1 and the additional requirements of Section 4.2 below.

Program Funds to be disbursed for construction costs, including for costs of demolition, shall be disbursed only upon satisfaction of the requirements of Section 4.1 and the additional requirements described in Section 4.3 below. Under this Agreement, "demolition" shall include, but not be limited to, the dismantling, razing, destroying, or wrecking of any building or structure, or any part thereof.

Program Funds shall be disbursed to the Sponsor for costs incurred for the Project, contingent upon the availability of Bond BHCIP Funds. The Sponsor shall submit requests for Program Funds monthly, no later than the last day of each month. Funding requests for reimbursement shall include incurred costs no later than forty-five (45) days from the date the Sponsor incurs the expense. Such request for Program Funds must be approved and all requirements set forth in this Article 4 must be satisfied in the sole discretion of AHP and DHCS, as applicable.

Notwithstanding the foregoing, or any provisions in this Agreement to the contrary, any request for disbursement of Program Funds submitted after April 30th of any State fiscal year ending June 30th may be subject to delayed review, processing, and disbursement, without liability to AHP or DHCS.

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SAMPLE

4.1 Requirements for Disbursement of Program Funds. No Program Funds shall be released to the Sponsor for any Project costs until the Sponsor submits, and AHP and DHCS approves, the documents described below, and any additional supporting information, as may be required:

4.1.1 a fully executed copy of this Agreement, including all Attachments;

4.1.2 the Sponsor's request for Program Funds, with all required supporting documents appended thereto;

4.1.3 an executed copy of Certification No. 2, "Related Party & Related Party Transaction Disclosure";

4.1.4 a completed Government Agency Taxpayer ID Form;

4.1.5 a projection model on the approved template provided to the Sponsor by AHP or DHCS presenting expected expenditures of Program Funds ("**Funding Projection Survey**");

4.1.6 an authorizing resolution or set of authorizing resolutions that, in AHP's reasonable determination, materially comports with the Program Requirements (if the Sponsor has not already submitted the same);

4.1.7 evidence in the form of account statements or other auditable financial record that the Sponsor has received Program Funds and paying fees and expenses directly related to the Project, as detailed in the Project budget attached as Schedule 1 to the SOW;

4.1.8 evidence in the form of account statements or other auditable financial record that any funds required to match the Program Funds pursuant to the RFA ("**Match Funds**"); or, in the event the Match Funds are an in-kind contribution, in lieu of cash, including real property upon which the Project is to be constructed or operated and/or the amount of any allowable, reasonable, actual, and documented, as determined by AHP and DHCS in their sole discretion, Project specific fees and expenses incurred by the Sponsor no more than one (1) year prior to [_____], 2026, the date of the Notice of Conditional Award ("**Sunk Costs**"), the value of such in-kind contribution has been approved by AHP and DHCS in their sole discretion, as may be required;

4.1.8.1 AHP and DHCS reserve the right to withhold up to twenty-five percent (25%) of total Program Funds ("**Withheld Funds**") until such time as the Sponsor provides documents, in the form and substance acceptable to AHP and DHCS, verifying that the Sponsor expended its Match Funds or that the value of its in-kind contribution and/or Sunk Costs has been reviewed and approved by AHP and DHCS. If AHP and DHCS elects to exercise this right, AHP and DHCS shall inform the Sponsor of that election in writing. AHP and DHCS shall release the Withheld Funds only after the Sponsor provides documentation that adequately, as

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determined by DHCS, verifies that the Sponsor has expended its Match Funds or that the value of its in-kind contribution and/or Sunk Costs has been reviewed and approved by AHP and DHCS. Withheld Funds are entirely separate and distinct from Retention Funds, as described in Section 4.3.7.1 below;

4.1.9 unless the Sponsor is acquiring real property for the construction or operation of the Project, in which event the Sponsor shall be subject to the requirements as described in Section 4.2.5.1, a copy of a recorded **Declaration of Restrictions** that demonstrates that the Sponsor has recorded the Declaration of Restrictions against the real property upon which the Project is to be constructed or operated shall be provided to AHP; provided that, in the event that the Project is being constructed or operated on a leasehold interest, which lease must be for a term of not less than thirty (30) years, the Sponsor shall record the Declaration of Restrictions against the leasehold and the fee interest to the real property upon which the Project is to be constructed or operated;

4.1.10 intentionally omitted;

4.1.11 Evidence of insurance or self-insurance in the amounts and types sufficient to satisfy the requirements of Article 11 of this Agreement, subject to AHP approval, in its sole discretion;

4.1.12 certifications in the form attached as **Attachment F** required for the disbursements of Program Funds, which shall be submitted within sixty (60) days of the completion of each Performance Milestone set forth in **Attachment G**;

4.1.13 a current title report reflecting all existing liens, encumbrances, taxes owed, easements, covenants, or any other restrictions for the real property upon which the Project is to be constructed or operated. If the Sponsor's interest in the real property upon which the Project is to be constructed or operated is a leasehold, then the Sponsor shall provide a current title report for the leasehold interest and the fee interest;

4.1.14 a signed opinion letter from the Sponsor's legal counsel certifying that this Agreement, the Declaration of Restrictions, and the Program Requirements do not conflict with any existing contract, agreement, or other requirement applicable **to the Sponsor**, **the property** upon which the Project is to be constructed or operated, **or the Project**, and **are otherwise enforceable against the Sponsor**; and such opinion letter shall be in the form and substance acceptable to AHP, subject to DHCS's approval in its sole discretion; or a written confirmation letter certifying that the Sponsor has reviewed a current title report reflecting all existing liens, encumbrances, taxes owed, easements, covenants, or any other restrictions for the real property upon which the Project is to be constructed or operated; has received delegated authority from the Board of Supervisors for the County of {{ county }} to the Department(s) of {{ county_department }} to accept

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Program Funds; comply with Program Requirements; and has determined there are no other deed restrictions, including restrictions of use of the Project; and such confirmation letter shall be in the form and substance acceptable to AHP, subject to DHCS's approval in its sole discretion; and

4.1.15 the Sponsor and DHCS have executed a Facility Access Agreement substantially in the form attached as **Attachment L**.

4.2 Requirements for Disbursement of Program Funds for Acquisition Costs. Program Funds granted in advance of the Sponsor expending the funds for acquisition of real property will be deposited directly into an escrow account opened by the Sponsor for the transfer of title of the real property with First American Title Insurance Company, unless another title company is approved by AHP and DHCS. No Program Funds shall be released to the Sponsor for any Project costs related to the acquisition of real property until the Sponsor satisfies the requirements described in Section 4.1 above and the Sponsor submits, and AHP and DHCS approve, all documents described in this Section 4.2, and any additional information as may be required.

4.2.1 a fully executed purchase and sale agreement or other agreement evidencing the Sponsor's right to acquire the property upon which the Project is to be constructed or operated;

4.2.2 a written appraisal report setting forth an opinion of fair market value of the real property upon which the Project is to be constructed or operated prepared by a certified general appraiser licensed in the State of California ("**Certified Appraisal Report**"), which shall be in the form and substance acceptable to AHP and DHCS;

4.2.3 intentionally omitted;

4.2.4 evidence of any additional funds necessary for the Sponsor to acquire the property upon which the Project is to be constructed if the Program Funds are not providing the full amount of the acquisition costs;

4.2.5 signed escrow instructions, approved by AHP or DHCS, providing for the following:

4.2.5.1 a Declaration of Restrictions in the form attached to this Agreement as **Attachment H** shall be recorded at the close of escrow against the real property upon which the Project is to be constructed or operated; and

4.2.5.2 intentionally omitted.

4.2.6 completing and signing Certification No. 8 included as part of **Attachment F** shall be submitted to evidence the Sponsor's performance of required due diligence; and

4.2.7 certifications in the form of **Attachment F** required for the disbursements of Program Funds, which shall be submitted within sixty (60) days of the completion of each Performance Milestone set forth in **Attachment G**.

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SAMPLE

4.3 Requirements for Disbursement of Program Funds for Construction Costs. No Program Funds shall be released to the Sponsor for Project costs related to construction or demolition on the Project until the Sponsor satisfies the requirements described in Section 4.1 above and the Sponsor submits, and AHP and DHCS approve, all documents described below, and any additional information, as may be required:

4.3.1 the Sponsor Certification No. 1, in the form attached as **Attachment F**, and the Sponsor's General Contractor's Certification No. 12, certifying compliance with requirements related to public works projects pursuant to California Labor Code section 1720 et seq., as well as all applicable federal labor and wage laws;

4.3.2 plans and specifications for the construction work approved by AHP, as identified by the completion of Certifications Nos. 9 and 10 no later than six (6) months from the Effective Date;

4.3.3 a construction contract, as identified by the completion of Certification No. 11, based on a permitted set of construction plans with a licensed general contractor for an amount consistent with the construction costs in the approved Project budget incorporated into the SOW as Schedule 1 that incorporates the requirements of this Agreement, including, but not limited to, the prevailing wage requirements, and contains the Construction Contract Addendum in the form attached as **Attachment I**;

4.3.4 a copy of the Notice of Exemption for the Project filed with the county clerk of each county in which the Project is located, pursuant to the California Environmental Quality Act ("**CEQA**") Guidelines section 15062 (14 CCR Section 15062);

4.3.5 copies of labor and material bonds and performance bonds for the construction work in an amount equal to one hundred percent (100%) of the cost of construction, naming AHP and DHCS as co-obligees on the bonds;

4.3.6 a written request for Program Funds on a form approved by AHP and DHCS, providing sufficient detail and with sufficient supporting documentation to permit AHP and DHCS to confirm that the request is consistent with the terms of this Agreement and the Project budget;

4.3.7 when a disbursement is requested by a Sponsor to pay any contractor in connection with the construction work, the written request must be accompanied by (a) certification by the Sponsor's architect or project manager that the work for which disbursement is requested has been completed (although AHP reserves the right to inspect the Project and make an independent evaluation) and (b) lien releases and/or mechanics lien title insurance endorsements reasonably acceptable to AHP;

4.3.7.1 AHP and DHCS shall retain ten percent (10%) of total Program Funds to the Sponsor ("**Retention Funds**") until the Sponsor submits an executed copy of Certification No. 17, "Notice of Completion and Receipt of Conditional/Unconditional Final

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Releases of Liens," as set forth in **Attachment F**. AHP and DHCS shall release Retention Funds to the Sponsor only upon the Sponsor's satisfaction of all applicable requirements in this Section 4.3.7.1 and the submission of Certification No. 17 in a form and substance acceptable to AHP and DHCS, and any additional supporting documentation, as may be required, subject to approval by AHP or DHCS. Retention Funds are entirely separate and distinct from Withheld Funds, as described in Section 4.1.8.1 above; and

4.3.8 certifications in the form of **Attachment F** required for the disbursements of Program Funds, which shall be submitted within sixty (60) days of the completion of each Performance Milestone set forth in **Attachment G**.

4.4 Disbursements for Pre-construction Expenses. Notwithstanding anything to the contrary stated in this Article 4, or otherwise in this Agreement, Program Funds may be released to the Sponsor for certain pre-construction Project costs, subject to approval by AHP or DHCS in its sole discretion, provided that the Sponsor has: (i) satisfied the requirements set forth in subsections 4.1.1, 4.1.2, 4.1.3, 4.1.4, 4.1.5, 4.1.6, 4.1.7, 4.1.8, 4.1.11, 4.1.12, 4.1.14, and 4.1.15; (ii) the Project budget includes pre-construction expenses; and (iii) the planning and pre-construction phase of Project development shall be completed within ninety (90) days of the Effective Date.

4.5 Monthly Submittal of Funding Projection Survey. The Sponsor shall continue to review, update, and resubmit to AHP no later than the 15th day of each month, its Funding Projection Survey forecasting anticipated Project expenses.

ARTICLE 5.
CONSTRUCTION PROJECTS/NOTICE TO PROCEED

In the event that Program Funds are used for the performance of construction or demolition on the Project, the Sponsor shall submit an updated budget and schedule to AHP and DHCS for its approval prior to the Sponsor's issuance of a notice to proceed to its general contractor. The updated budget and schedule shall be consistent with the final plans and specifications for the Project. The Sponsor shall not issue a notice to proceed to its general contractor until AHP and DHCS have approved the updated budget and schedule. AHP or DHCS shall use reasonable efforts to review and provide feedback on the updated budget within seven (7) business days. Notwithstanding the foregoing, AHP or DHCS may extend the period of review and feedback, with notice to the Sponsor, for an additional thirty (30) days without any liability to the Sponsor, AHP, or DHCS.

ARTICLE 6.
PERFORMANCE

The Sponsor shall comply with the schedule set forth in the Performance Milestones in **Attachment G** and shall provide each certification contained in **Attachment F** within sixty (60) days of the completion of each Performance Milestone. The Sponsor shall provide regular progress reports to AHP but in all events at least once every thirty (30) days, including its progress toward

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meeting the Performance Milestones. The Project shall not be considered complete until the submission of either Certification No. 16 or Certification No. 17, as applicable, and Certification No. 18. The Sponsor may apply to AHP for an extension of any Performance Milestones or an extension to submit any required certification, which AHP may approve, provided that the Sponsor has made a showing of good cause for such an extension and provided acceptable assurances for timely completion of the remaining Performance Milestones as determined by AHP. Any extension granted by AHP shall not be effective unless granted in writing, and such writing shall be considered an amendment to this Agreement and incorporated herein. In all events, all Program Funds must be obligated and expended by June 30, 2031.

FAILURE TO SATISFY ANY ONE OF THE CERTIFICATIONS AND/OR PERFORMANCE MILESTONES (UNLESS SUCH PERFORMANCE MILESTONE IS EXTENDED OR WAIVED IN WRITING BY DHCS) SHALL CONSTITUTE A BREACH OF THIS AGREEMENT AND ENTITLE AHP TO MANDATE THE SPONSOR TO RETURN TO THE STATE OF CALIFORNIA ANY PROGRAM FUNDS DISBURSED; IN ANY SUCH INSTANCE, AHP MAY, ONLY WITH DHCS APPROVAL, ALSO CANCEL THIS AGREEMENT WITHOUT OWING ANY DAMAGES OR OTHER PAYMENT TO THE SPONSOR.

ARTICLE 7.
FISCAL ADMINISTRATION

7.1 Disbursements of Program Funds to the Sponsor by AHP shall be deposited in the Sponsor's account unless such funds are to be used for acquisition of the property upon which the Project is to be constructed or operated, in which event the Program Funds shall be deposited directly into an escrow account established with a title company for the purposes of acquisition of the property upon which the Project is to be constructed or operated. All interest earned from the deposit of Program Funds shall be used by the Sponsor for eligible Program administrative activities; however, any such use shall not exceed Five Hundred Dollars ($500.00) per year. Program Funds shall be segregated from the Sponsor's other funds and shall only be disbursed from the Sponsor's account for eligible Program Funds costs.

7.2 AHP has approved the Sponsor's budget for the Project incorporated in the SOW at **Attachment D**, as such budget may be updated prior to issuance of a notice to proceed to the general contractor in accordance with Article 5. The Sponsor may adjust line items in the budget, including drawing upon any contingency amounts listed in the budget, only with the prior written approval from AHP and DHCS, provided that such adjustments do not increase the overall budget amount. If, upon completion of a particular phase or segment of the Project, the Program Funds allocated to that segment or phase have not been fully expended, the Program Funds allocated to the Sponsor for such segment of the Project shall remain available to the Sponsor for disbursement for subsequent segments of the Project; provided, however, in no event shall the total amount of the Program Funds available to the Sponsor exceed the amount set forth in this Agreement without a written amendment to this Agreement signed by both Parties and approved by DHCS.

7.3 The Sponsor shall notify AHP and DHCS within thirty (30) days of any changes in the work required to be performed under this Agreement, including any additions, changes, or deletions to the plans and specifications approved by AHP and DHCS. The Sponsor shall provide prior notice to AHP of any written change order before any of the following changes, additions, or deletions in work for the Project may be performed: (1) any change in the work the cost of

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which exceeds One Hundred Thousand Dollars ($100,000); (2) any set of changes in the work the cost of which cumulatively exceeds One Hundred Thousand Dollars ($100,000); (3) any material change in building materials or equipment, specifications, or the structural or architectural design or appearance of the Project as provided for in the plans and specifications approved by AHP; or (4) any changes in the schedule that will extend the completion date. Notice of any additions, changes, or deletions to the work shall not relieve or release the Sponsor from any other obligations under this Agreement or relieve or release the Sponsor or its surety from any surety bond.

7.4 The Sponsor shall provide AHP with an updated budget and schedule for the Project when fifty percent (50%) completion of construction work is achieved that shows all changes in costs and schedule from the budget and schedule provided to AHP prior to issuance of the Notice to Proceed.

7.5 Any Program Funds that were granted but have not been expended by the expiration of the Period of Performance set forth in the Summary Cover Sheet and the Attached Performance Milestones must be returned to DHCS with any accrued interest in excess of Five Hundred Dollars ($500.00) per year, which may be used pursuant to Section 7.1 for administrative activities. Returned Program Funds shall be paid as directed by AHP or DHCS, no later than thirty (30) calendar days after the expiration of the applicable Period of Performance.

ARTICLE 8.
CHANGES TO STATEMENT OF WORK

8.1 The Sponsor shall not, without the prior written approval of DHCS, change either of the following: (i) the behavioral health purpose of the Project; or (ii) the population to be served by the Project, the foregoing, each, as described in (x) the Sponsor's Application, and (y) the SOW. The Sponsor shall ensure, and change as necessary, the purpose of the Project or the population to be served by the Project is tailored to provide behavioral health treatment that will meet community needs identified by local stakeholders, including the county board of supervisors, the county behavioral health director, providers of behavioral health services, and individuals who have or have had a mental health disorder or substance use disorder. As part of its review of the Sponsor's change request, DHCS shall ensure that any requested change aligns with these community needs. DHCS shall approve or deny the Sponsor's request for change within thirty (30) days of DHCS' receipt of the request. DHCS's decision to disapprove a request to change the Sponsor's SOW is fact-specific, and the decision shall be final and not subject to further review. The Sponsor shall submit to AHP, with a copy to DHCS, its written request to change either (i) the behavioral health purpose of the Project; or (ii) the population to be served by the Project, which shall include a detailed description of the following criteria:

8.1.1 the changes to the services or the Project that the Sponsor is requesting to make;

8.1.2 a detailed explanation of why the change is necessary and justification for how the change in the Project meets the changing behavioral health needs of the county or geographic area that the Project serves;

8.1.3 the behavioral health population, services, and needs that the Sponsor's change will meet;

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8.1.4 an attestation that the Sponsor will serve the same percentage (or more) of Medi-Cal and/or Mental Health Services Act/Behavioral Health Services Act ("**MHSA/BHSA**") beneficiaries as originally stated in the Sponsor's Application;

8.1.5 anticipated additional costs of changes to the Project, including a financial plan for meeting additional costs; and

8.1.6 any other information requested by AHP or DHCS to evaluate the Sponsor's request.

Any changes to the SOW approved by DHCS shall be provided to AHP and set forth as an amendment to this Agreement as required by Section 20.10 of this Agreement.

8.2 The Sponsor is solely liable and responsible for any increases in costs that exceed the Program Funds. In no event shall AHP or DHCS be responsible for any costs that exceed the Program Funds amount awarded for the Project. In the event that Project costs exceed the funds that the Sponsor has available to pay such costs, the Sponsor shall within thirty (30) days of such occurrence provide for notice to AHP of the financial plan, for AHP's approval, for meeting such additional costs, which may be approved or disapproved by DHCS, in its sole discretion. A financial plan for meeting additional costs may include the Sponsor providing additional funds for the Project or the Sponsor incurring additional debt. The Sponsor shall not incur any additional debt without the prior written approval of AHP and DHCS. A preliminary financial plan may be submitted to AHP in the form of a written confirmation that the Sponsor or designee shall request approval from the Board of Supervisors regarding the use of additional funds necessary to complete the Project. The Sponsor shall provide to AHP written confirmation of such Board of Supervisor approval within thirty (30) days of its submittal to AHP of its preliminary financial plan.

ARTICLE 9.
DEFAULT AND REMEDIES

9.1 Event of Default. Any of the following shall, after written notice by AHP or DHCS and expiration of any applicable cure period, constitute an "**Event of Default**" under this Agreement:

9.1.1 The Sponsor's failure to satisfy the conditions precedent to disbursement of Program Funds, as set forth in Article 4 above, or to expend Program Funds pursuant to the terms of this Agreement;

9.1.2 The Sponsor's failure to timely satisfy each or any of the conditions set forth in this Agreement or the Notice of Conditional Award Letter;

9.1.3 The Sponsor's violation of any of the Program Requirements; and

9.1.4 AHP's or DHCS's determination of the following:

9.1.4.1 the Sponsor has concealed any material fact from AHP or DHCS related to the Sponsor, the Application, the property upon which the Project is to be constructed or operated, or the Project;

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9.1.4.2 any material fact or representation, made or furnished to AHP or DHCS by the Sponsor in connection with the Application, the Notice of Conditional Award Letter, or this Agreement which shall have been untrue or misleading at the time that such fact or representation was made known to AHP, or subsequently becomes untrue or misleading at the Sponsor's fault;

9.1.4.3 any certification provided by the Sponsor is determined to be untrue or misleading; or

9.1.4.4 any objectives or requirements of the Program cannot be met in accordance with this Agreement or within applicable timeframes, as memorialized by this Agreement.

9.2 Right to Cure. If the breach, violation, or default pursuant to Section 9.1 is not cured to AHP's and DHCS's satisfaction, as determined by AHP and DHCS, subject to DHCS's approval in its sole and absolute discretion, within **thirty (30) days** of notice to the Sponsor, provided in accordance with the notice requirements of this Agreement, then AHP, subject to DHCS's approval, may declare an Event of Default under this Agreement.

9.2.1 Notwithstanding the foregoing, the Sponsor may request additional time to cure any Event of Default. AHP may, but shall not be required to, grant any such request, which request shall be subject to DHCS's approval. AHP's approval of the Sponsor's request for additional time to cure shall be subject to the Sponsor's continuing and diligent efforts to cure, and any additional cure period provided to the Sponsor shall be reasonable, as determined by AHP, subject to DHCS's approval in its sole discretion. In no event shall any extension of the cure period exceed thirty (30) days. For the avoidance of doubt, any extension of the cure period shall be granted in writing by AHP, subject to DHCS's approval in its sole discretion.

9.3 AHP/State/DHCS Remedies. Upon the occurrence of an Event of Default or termination, AHP and/or DHCS may take any and all actions or remedies that are available under this Agreement, in law, or in equity, including, but not limited to, the following:

9.3.1 temporarily withhold disbursement of Program Funds pending correction of the noncompliance, breach, violation, or default;

9.3.2 disallow use of Program Funds for all or part of the costs resulting from the noncompliance, breach, violation, or default;

9.3.3 wholly or partly suspend or terminate this Agreement and the Sponsor's award of Program Funds, or disbursements thereof (any such suspension or termination of this Agreement or the Sponsor's award of Program Funds shall be effective upon the Sponsor's receipt of AHP or DHCS notice of termination or suspension);

9.3.4 withhold or deny further Program Funds or awards to the Sponsor;

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9.3.5 require the Sponsor to return all or part of any Program Funds, including any interest earned thereon;

9.3.6 intentionally omitted;

9.3.7 any and all remedies under the Declaration of Restrictions;

9.3.8 specific performance;

9.3.9 injunctive relief;

9.3.10 recovery and completion of the Project pursuant to the payment and performance bonds; and

9.3.11 any and all other remedies allowed by law or available in equity.

ARTICLE 10.
TERMINATION

10.1 AHP and/or DHCS shall have the right, each in its sole discretion and without prejudice to any other rights and remedies it may have under applicable law, to terminate this Agreement effective immediately upon written notice of such termination to the Sponsor if (i) an Event of Default is declared by AHP or DHCS; (ii) three (3) breaches, violations, or defaults by the Sponsor of the terms and conditions of this Agreement (whether the same or different) occur within any twelve-month period, so long as such breaches, violations, or defaults are caused by the Sponsor's negligence or willful misconduct, and regardless of whether any or all such breaches, violations, or defaults are timely corrected; (iii) the Sponsor files a petition in bankruptcy or is adjudicated by a court of competent jurisdiction to be bankrupt or insolvent, or makes an assignment for the benefit of creditors or an arrangement pursuant to any bankruptcy law, or the Sponsor discontinues or dissolves its business, or a receiver is appointed for the Sponsor or the Sponsor's business; (iv) any lender to the Sponsor declares a default under its loan agreement, or funds available to the Sponsor from any lender become unavailable such that the Sponsor is unable to timely satisfy obligations under this Agreement; (v) the Sponsor's failure to provide AHP or DHCS with adequate assurances within a reasonable time that the Sponsor is financially solvent, or AHP or DHCS determines that the Sponsor is financially insecure; or (vi) Bond BHCIP Funds necessary to complete the Project are no longer available based upon a reduction in the appropriation or availability of funds from the Behavioral Health Infrastructure Fund as defined in and created pursuant to California Welfare and Institutions Code section 5965.03.

10.2 Notwithstanding the foregoing, or anything to the contrary stated herein, AHP may terminate this Agreement upon thirty (30) days' written notice if the Prime Contract is terminated by DHCS, or if AHP is directed by DHCS to terminate this Agreement.

10.2.1 For Cause

DHCS may terminate this Agreement, in whole or in part, and be relieved of any payments should the Sponsor or Owner fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination, DHCS may proceed with the work in any reasonable manner deemed proper by DHCS, with the goal of ensuring liquidated funds result in and align with

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program intent pursuant to California Welfare and Institutions Code section 5965.03. If this Agreement is terminated, in whole or in part, DHCS will require the Sponsor or Owner to work with DHCS to ensure continued use of real or personal property acquired, developed, or purchased with funds under this Agreement align with program intent as specified. In the case of licensed software, license, Sponsor or Owner may be required to deliver to DHCS any completed deliverables, partially completed deliverables, and any other materials, related to the terminated portion of this Agreement, including but not limited to, computer programs, data files, user and operations manuals, system and program documentation, training programs related to the operation and maintenance of the system, and all information necessary for the reimbursement of any outstanding claims subject to DHCS review and approval.

10.2.2 intentionally omitted.

10.3 Upon termination of this Agreement for any reason, neither AHP nor DHCS shall be liable for any work that is not performed in accordance with the Agreement. Neither AHP nor DHCS shall be responsible for any disbursement of Program Funds after the effective date of termination of this Agreement unless: (1) the Sponsor submitted to AHP a complete draw request for disbursement of a specific amount of Program Funds prior to the effective date of termination of this Agreement; and (2) AHP determines that the request is for expenses consistent with the terms of this Agreement and the Project budget. Notwithstanding the foregoing, neither AHP nor DHCS shall be responsible for any disbursement of Program Funds requested by the Sponsor after the effective date of termination of this Agreement based upon the occurrence of an Event of Default. Upon any termination, neither AHP nor DHCS shall be responsible for any damages to the Sponsor as a result of such termination.

ARTICLE 11. INSURANCE

11.1 Insurance Requirements. The Sponsor shall continuously maintain for the duration of this Agreement, and so long as the Declaration of Restrictions is in place, the following insurance or self-insurance at, or in excess of, the limits detailed below:

11.1.1 Builder's risk insurance, including a permission to occupy endorsement during the course of construction, and upon completion of construction, if the Project is new construction, property insurance, covering all risks of loss, excluding earthquake, flood, or other risks customarily excluded from "All-Risks" coverage, in an amount equal to full replacement cost of the Project, including all improvements, fixtures, furnishings, and equipment thereon at the time of loss.

11.1.2 If the Project is rehabilitation of an existing facility, property insurance covering all risks of loss, excluding earthquake, flood, or other risks customarily excluded from "All-Risks" coverage, in an amount equal to the full replacement costs of all improvements located on the property upon which the Project is to be constructed, including all improvements, fixtures, furnishings, and equipment thereon at the time of loss. Upon completion of

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the rehabilitation, any property insurance policy shall be updated to reflect the increased replacement costs resulting from the rehabilitation.

11.1.3 Workers' compensation insurance as required by the State.

11.1.4 Comprehensive automobile and vehicle liability insurance covering claims for injuries to members of the public and/or damages to property of others arising from use of motor vehicles, including on-site and off-site operations and owned, non-owned, or hired vehicles, with One Million Dollars ($1,000,000) combined single limits.

11.1.5 Commercial general liability insurance of not less than One Million Dollars ($1,000,000) per occurrence with an annual aggregate limit of Five Million Dollars ($5,000,000) for bodily injury and property damage liability combined. The Sponsor's required limits may be satisfied through a combination of general liability and umbrella or excess liability policies of coverage. The commercial general liability insurance policy shall cover liabilities arising out of premises, independent contractors, products, completed operations, ongoing operations, personal and advertising injury, and liability assumed under an insured agreement. The commercial general liability insurance shall apply to each insured against whom claim is made or suit is brought subject to the Sponsor's limit of liability. If the scope of services involves one-on-one activities with minors, such policy shall include or not exclude sexual assault and misconduct coverage.

11.2 Third-Party Insurance Policy Requirements. If the Sponsor elects to obtain third-party insurance, with the exception of Workers' Compensation, all policies, including their Lender Loss Payable clauses, shall be endorsed to name AHP and the "State Department of Health Care Services on behalf of the State (Agreement No.: 24-40117)" as additional insureds on such third-party insurance with respect to the work to be performed by the Sponsor. The endorsements and policies will provide that the insurer waives its rights of subrogation, and the insurer will provide notice to AHP in writing at least thirty (30) days prior to any cancellation, material change in coverage, or intent not to renew such insurance coverage. All such insurance must be primary and non-contributory and required to respond and pay prior to any other insurance or self-insurance available.

11.3 Contractor Insurance Requirements. The Sponsor shall require its general contractor and its subcontractors to provide insurance in the amounts and form set forth above during the course of construction (except the general contractor shall not be required to maintain Builder's Risk insurance or property insurance) and to name AHP and the "State Department of Health Care Services on behalf of the State (Agreement No.: 24-40117)" as additional insureds on all such insurance during the course of construction.

11.4 Evidence of Self-Insurance. If the Sponsor elects to maintain self-insurance, upon the request of AHP or DHCS, the Sponsor shall immediately deposit with AHP a letter, signed by an authorized Sponsor representative, certifying that the Sponsor maintains self-insurance consistent with the above requirements. The Sponsor shall certify its self-insurance maximum coverage amounts for each of the items above and whether they have individually self-insured or if they pooled self-insurance with other public entities through a joint powers agreement. Self-

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insurance maximum coverage amounts shall meet or exceed the minimum coverage amounts listed for each item above. Upon AHP's request, the Sponsor shall also provide to AHP the Department of Industrial Relations' certificate of consent for the county to self-insure against workers' compensation claims. The Sponsor shall maintain self-insurance consistent with the requirements set forth above at all times during the term of the Agreement and the term of the Declaration of Restrictions. Notwithstanding the expiration of this Agreement, the Sponsor shall provide to DHCS a new certificate of insurance evidencing its third-party insurance, or a new letter certifying its compliance with the self-insurance coverage, as provided herein, for a period not less than thirty (30) years from the date of either of the following: (i) the date of issuance of a Certificate of Occupancy, or (ii) the date of recordation of a Notice of Completion, in the official records of the county where the Project is located.

11.5 Insurance Indemnification. The Sponsor shall indemnify, defend, and hold harmless AHP and DHCS against any and all liabilities to third persons and other losses (not compensated by insurance or otherwise) and for any other costs and expenses incurred, including reasonable attorneys' fees, judgments, settlements, or penalties, as a result of any claim or liability resulting from the failure of the Sponsor (or its lower-tier subcontractors or consultants) to maintain the insurance policies required by this Article.

11.6 Insurance Premiums. Neither AHP nor DHCS shall be responsible for any premiums, deductibles, or assessments on any insurance policy referred to in this Agreement.

11.7 Survival. The requirements to provide insurance in this Article 11 shall survive termination of this Agreement.

ARTICLE 12.
OPERATIONS

The Sponsor agrees that, in consideration of the receipt of Program Funds pursuant to the terms of this Agreement, the Sponsor shall enter into, as required by this Agreement, the Declaration of Restrictions, to be recorded against the property upon which the Project is to be constructed or operated, in a form substantially similar as attached hereto and incorporated herein by this reference as **Attachment H**. The Declaration of Restrictions shall by its terms restrict the development, use, and occupancy of the Project for the term of thirty (30) years, from either the date of the issuance of a Certificate of Occupancy or the recordation of a Notice of Completion in the official records of the county in which the Project is located. In addition to any requirements in the Declaration of Restrictions, the Sponsor shall comply with all applicable state, federal, and local health and safety laws and ordinances with respect to the operation and maintenance of the Project. The facility or facilities financed pursuant to this Agreement shall accept and provide services to Medi-Cal beneficiaries as patients. If the Sponsor transfers title to the Project, the Sponsor shall ensure and guarantee that the requirements of this provision transfer and bind the Sponsor's successor in title. These rights and obligations shall survive the expiration or early termination of this Agreement and are covenants running with the Project pursuant to the Declaration of Restrictions in the form of **Attachment H** to be recorded against the Project. During the Term of this Agreement and the term of the Declaration of Restrictions, the Sponsor shall execute such other documents as required by DHCS to comply with the Program Requirements, including deed restrictions, covenants, and conditions recorded against the Project.

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ARTICLE 13.
POLICIES AND LEGAL AUTHORITIES

13.1 The Sponsor shall comply with:

13.1.1 All California and federal law, regulations, and published guidelines, to the extent that these authorities contain requirements applicable to the Sponsor's performance under this Agreement, including any applicable licensing and health and safety requirements;

13.1.2 AB 133, including any subsequent amendments to the statutes contained therein;

13.1.3 AB 531, including any subsequent amendment to the statutes contained therein;

13.1.4 California Welfare and Institutions Code Division 5, Part 7, Chapter 1, including any subsequent amendment to the statutes contained therein and any related DHCS guidance, regulations, and/or subsequent additions or amendments thereto;

13.1.5 The State Behavioral Health Infrastructure Bond Act of 2024 (California Welfare and Institutions Code Division 5, Part 7, Chapter 4) including any subsequent amendment to the statutes contained therein;

13.1.6 The State General Obligation Bond Law (Chapter 4 (commencing with section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), including any subsequent amendments to the statutes contained therein, with the exception of subdivisions (a) and (b) of section 16727 of the Government Code; and

13.1.7 All California State Treasurer's Office, California Department of Finance, and Internal Revenue Service statutes, regulations, and sub-regulatory guidance applicable to bond funded programs.

13.2 In the event the Sponsor does not comply with the terms of this Article 13, AHP shall give notice in accordance with Section 20.7 and shall have all rights set forth in Article 9 and Article 10.

ARTICLE 14.
INDEMNIFICATION

14.1 The Sponsor shall indemnify, defend, and hold harmless AHP, its directors, officers, employees, consultants, and agents, and DHCS, and its respective officers, members, supervisors, directors, officials, and employees, counsel, attorneys, and agents against liabilities to third persons and other losses (not compensated by insurance or otherwise) and for any costs and expenses incurred by AHP and DHCS, including judgments, settlements, or penalties, against all liabilities, claims, suits, demands, or liens for damages to persons or property ("**Claims**") (unless such Claims arise from the gross negligence or willful misconduct of AHP or DHCS) arising out

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of, resulting from, or relating to, the Sponsor's performance under this Agreement, and including, but not limited to, the following:

14.1.1 any act, omission, or statement of the Sponsor, or any person employed by or engaged under contract with the Sponsor, that results in injury (including death), loss, or damage to any person or property;

14.1.2 any failure on the part of the Sponsor to comply with applicable Program Requirements and requirements of law;

14.1.3 any failure to maintain the insurance policies required by this Agreement or the work performed, inclusive of intellectual property infringement, if applicable, under this Agreement. Insurance coverage that may be required shall in no way lessen or limit the liability of the Sponsor under the terms of this obligation;

14.1.4 any failure on the part of the Sponsor to satisfy all claims for labor, equipment, materials, and other obligations relating to the performance of the work hereunder;

14.1.5 any injury to property or person occurring on or about the Project or the property of the Sponsor; or

14.1.6 any claims related to the use, generation, storage, release, threatened release, discharge, disposal, or presence of hazardous materials on, under, or about the property upon which the Project is to be constructed or located.

14.2 The Sponsor shall indemnify AHP and DHCS under this clause for any of the above acts attributable to its employees, consultants, agents, and/or lower-tier subcontractors engaged in performance of the work under this Agreement. AHP or DHCS shall provide timely notice of any Claim, describing in reasonable detail such facts and circumstances with respect to such Claim. The Sponsor shall defend AHP and DHCS with counsel reasonably acceptable to AHP and DHCS. AHP and DHCS, each, may, at its option and own expense, engage separate counsel to advise them regarding the Claim and its defense. Such counsel may attend all proceedings. The Sponsor shall not settle any Claim without the consent of AHP and DHCS, if the settlement impacts either of their interests. If the settlement does not impact either AHP's or DHCS' interests, the Sponsor shall provide AHP and DHCS with notice of the settlement within seven (7) days.

14.3 The Sponsor agrees to indemnify, defend, and save harmless AHP and its directors, officers, employees, consultants, and agents, and DHCS and its officers, employees, consultants, and agents from any and all claims, costs (including, but not limited to, all expenses incurred in investigating, preparing, serving as a witness in, or defending against any such claim, action, or proceeding, commenced or threatened), and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm, or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement and from any and all claims and losses accruing or resulting to any person, firm, or corporation who may be injured or damaged by the Sponsor in the performance of this Agreement.

14.4 This indemnification shall survive the expiration or termination of the Agreement.

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ARTICLE 15.
PREVAILING WAGE

Any construction work that is part of the Project is subject to state and federal prevailing wage law, including California Labor Code section 1720 et seq. The Sponsor is urged to seek professional legal advice about prevailing wage law requirements and the Sponsor's obligations thereunder. Prior to disbursing the Program Funds, the Sponsor must sign Certification No. 1 and the Sponsor's general contractor must sign Certification No. 12, certifying compliance with California's prevailing wage law and all applicable wage and hours laws. The Sponsor shall also comply with any other labor requirements applicable to the Project as a result of other funding sources or regulatory requirements.

ARTICLE 16.
ENVIRONMENTAL CONDITIONS

The Sponsor shall provide a Phase I Environmental Site Assessment ("**ESA**") for the Project, in conformance with Advancing Standards Transforming Markets (ASTM) Standard Practice E 1527, evaluating whether the Project is affected by any recognized environmental conditions. If the Phase I ESA discloses evidence of recognized environmental conditions and the Sponsor desires to proceed with the Project, the Sponsor shall provide AHP with a Phase II report and any additional reports as required by AHP and in a form acceptable to AHP. The Sponsor shall also provide an asbestos assessment and a lead-based paint report for AHP's approval if the Project involves rehabilitation or demolition of existing improvements. Prior to disbursement of Program Funds for real property acquisition, AHP shall require the Sponsor to complete and sign Certification No. 8, certifying that all recommendations of the Phase I or Phase II ESA have been complied with or shall be complied with prior to commencement of construction. Prior to disbursement of Program Funds for any rehabilitation work, AHP shall require the Sponsor to complete and sign Certification No. 8, certifying that all asbestos and/or lead-based paint has been abated or shall be abated prior to or during the performance of any such rehabilitation work.

ARTICLE 17.
RELOCATION

The Sponsor must comply with the California Relocation Assistance Law (California Government Code section 7260 et seq.), and their implementing regulations (collectively, the "**Relocation Laws**") if the Project will result in the displacement, as that term is defined in the Relocation Laws, of any persons, businesses, or farm operations. Pursuant to the Relocation Laws, the Sponsor must have a relocation plan prior to proceeding with any phase of a Project or other activity that will result in the displacement of persons, businesses, or farm operations. The Sponsor shall provide any required notices and relocation benefits in accordance with the Relocation Laws. AHP shall require the Sponsor to complete and sign Certification No. 8, certifying that all applicable Relocation Laws have been complied with.

ARTICLE 18.
INSPECTIONS, AUDITS, AND RECORD RETENTION

18.1 AHP or any of its authorized representatives shall have the right to access any documents, papers, or other records of the Sponsor which are pertinent to the Program Funds, in the format requested by AHP and DHCS, for the purpose of performing audits, examinations,

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and/or review regarding compliance with the provisions of this Agreement and the Program Requirements. Such monitoring activities shall include, but are not limited to, inspection of the Sponsor's books and records, in addition to site inspections, as AHP or DHCS deems appropriate.

18.2 AHP or DHCS may perform compliance reviews, review procedures and documents pertaining to the SOW and other elements of this Agreement, perform on-site visits, and desk reviews in order to ensure the Sponsor's compliance with this Agreement, as well as to protect against fraud, waste, and abuse.

18.3 The right to access records, in the format requested by AHP and DHCS, also includes timely and reasonable access, no longer than thirty (30) days, to the Sponsor's personnel for the purpose of interview and discussion related to the requested documents and/or information. Notwithstanding the foregoing, AHP shall use reasonable efforts to not disrupt the Sponsor's business operations when accessing records or personnel

18.4 The right to access records, in the format requested by AHP and DHCS, is not limited to the required retention period but lasts as long as the records are retained by the Sponsor.

18.5 The Sponsor shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Project and the Program Funds for a minimum of thirty-five (35) years from the date of final payment under this Agreement, and in compliance with the July 2, 2008 General Obligation Bond Record Retention Memorandum from the California State Treasury Office, 26 C.F.R. §1.148-5(d)(6)(iii)(E), Section 7 of **Attachment A** of this Agreement, and all applicable Internal Revenue Service statutes, regulations, and guidance.

18.5.1 The Sponsor shall maintain the list of documents as listed in Appendix V of the Department of Finance's "Bond Accountability and Audits" guide document. The list of documents is not exhaustive and additional documents may be requested by AHP or DHCS.

View this publication at the following:

https://dof.ca.gov/media/docs/programs/osae/bond-accountability-and-oversight-activities/Bond_Accountability_and_Audits.pdf

18.6 The Parties recognize and acknowledge that DHCS and the Sponsor are public entities subject to the Public Records Act and information exchanged between the Parties and DHCS may be subject to public disclosure and the Parties have no right to assume that such information shall be kept confidential.

18.7 Any review or inspection undertaken by AHP with reference to the Project is solely for the purpose of determining whether the Sponsor is properly discharging its obligations to DHCS and should not be relied upon by the Sponsor or by any third parties as a warranty or representation by AHP or DHCS as to the quality of the design or construction of the Project.

18.8 The Sponsor agrees that claims based upon an audit finding, that is appealed and upheld, shall be recovered by AHP and made payable to the State Department of Health Care Services by one of the following options:

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18.8.1 the Sponsor's remittance to AHP of the full amount of the audit exception within thirty (30) days of the date the audit finding is upheld; or

18.8.2 a repayment schedule which is agreeable to AHP, DHCS, and the Sponsor.

18.9 AHP reserves the right to select which option described in Sections 18.8.1 and 18.8.2 shall be employed, and AHP shall notify the Sponsor in writing of the claim procedure to be utilized. Interest on the unpaid balance of the audit finding or debt shall accrue at a rate equal to the maximum allowed by applicable law in the State of California for any such other audit findings.

ARTICLE 19.
THIRD-PARTY BENEFICIARIES

The State, represented by DHCS in this Agreement, is a third-party beneficiary of this Agreement. The Agreement shall not be construed so as to give any other person or entity, other than the Parties and DHCS, any legal or equitable claim or right. DHCS or another authorized department or agency representing the State may enforce any provision of this Agreement to the full extent permitted in law or equity as a third-party beneficiary of this Agreement. The State may take any and all remedies available in law or equity. In the event of litigation, the State may choose to seek any type of damages available in law or equity, up to the full amount of Program Funds awarded to the Sponsor.

ARTICLE 20.
MISCELLANEOUS

20.1 Dispute Resolution.

20.1.1 In the event of a dispute, the Parties shall first try to resolve the dispute by escalating it to higher levels of management to negotiate in good faith. If negotiations are unsuccessful, any controversy, dispute, or disagreement arising out of or relating to this Agreement, its breach, or its subject matter shall be conducted in a court of competent jurisdiction in {{ county }} County, California. Any Party bringing an action must comply with all applicable laws relating to claims against public entities, including the time limitations and manner of claim presentation prescribed by Chapter 2, commencing with section 910 of Part 3 (Claims Against Public Entities) of Division 3.6 of Title 1 of the California Government Claims Act.

20.1.2 The Sponsor shall be obligated to continue to perform pursuant to this Agreement while any dispute is pending.

20.1.3 Dispute Resolution provisions do not apply to the State.

20.2 Intentionally Omitted.

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20.3 Waiver. AHP's failure to notify the Sponsor of a breach or to insist on strict performance of any provision of this Agreement shall not constitute waiver of such breach or provision.

20.4 Remedies. No remedy in this Agreement is exclusive of any other remedy available under this Agreement, in law or equity. AHP or DHCS may seek equitable relief, including an injunction, against the Sponsor in connection with any breach or threatened breach of this Agreement.

20.5 Limitation of Liability. Except as otherwise provided in this Agreement, or by applicable law, the Sponsor waives any right to seek, and AHP and DHCS shall not be liable for, any special, consequential, or punitive damages; indirect or incidental damages; or for any loss of goodwill, profits, data, or loss of use arising out of, resulting from, or in any way connected with the performance or breach of this Agreement, even if the Sponsor advises AHP or DHCS of the possibility of any such damages.

20.6 Relationship. The Sponsor is an independent contractor with respect to AHP and DHCS. This Agreement is not intended to create a partnership, joint venture, employment, agency, or fiduciary relationship between the Parties or between any Party and DHCS.

20.7 Notices. Unless otherwise provided in this Agreement, each Party shall deliver all notices, requests, consents, Claims, demands, waivers, and other communications required or permitted under this Agreement (each, a "**Notice**") (i) in writing; (ii) exclusively by electronic mail ("**email**"); and (iii) sent to the other Party's Designated Representatives at the email address(es) set forth in Section 20.7.1.1 or to such other email address(es) as a Party may designate from time to time in accordance with the requirements of this Section. Counsel for a Party may send or receive a Notice on behalf of such Party.

20.7.1 The Parties acknowledge that Notices delivered by email shall be valid and binding and shall satisfy any requirement that a Notice must be in writing under applicable law, including the California Uniform Electronic Transactions Act (Cal. Civ. Code § 1633.1 et seq.), subject to the following:

20.7.1.1 For purposes of this Agreement, "**Designated Representative**" means initially (i) for AHP, BONDBHCIPRound2@ahpnet.com, and (ii) for the Sponsor, {{ lead_authorized_rep }} at {{ lar_email_sow }}{% if lead_authorized_rep != las_name_pfa %} and {{ las_name_pfa }} at {{ las_email_pfa }}{% endif %}. A Party may change a Designated Representative only upon delivery of a Notice to the receiving Party, in accordance with the requirements of Section 20.7 - 20.7.1.3.

20.7.1.2 A Notice shall be deemed effective only upon the sending Party's receipt of an acknowledgement of receipt from the receiving Party, which shall be established by a reply email from the receiving Party expressly confirming receipt of the Notice.

20.7.1.3 If the sending Party does not receive an acknowledgement of receipt from the other Party, receives a bounce-back, out-of-office message, or other automated response indicating non-receipt, the

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sending Party shall (i) re-attempt delivery to the same designated email address(es) until the other Party acknowledges receipt, or (ii) if no acknowledgement is received within a reasonable time, in the sole discretion of DHCS, deliver a Notice to the other Party by a nationally recognized overnight courier service to the address(es) set forth on the Summary Cover Sheet as an alternative. The Notice shall be deemed valid and effective on the first business day following its timely deposit with the courier service, with delivery fees prepaid for next business day delivery. The internal records of the courier service shall serve as sufficient evidence of the date of the deposit of the Notice with the courier service.

20.8 Governing Law. The place of performance of this Agreement is California and the laws of the State of California shall govern the validity, performance, enforcement, and interpretation of this Agreement. Any litigation or enforcement of an award must be brought in the appropriate federal or state court in the State of California, County of Sacramento. Each Party consents to personal and subject matter jurisdiction and venue in such courts and waives the right to change venue with respect to any such proceeding. The Parties acknowledge that all directions issued by the forum court, including injunctions and other decrees, shall be binding and enforceable in all jurisdictions and countries.

20.9 Assignment. The Sponsor shall not assign, delegate, or otherwise transfer this Agreement or its duties or obligations in connection therewith, in whole or in part, without the prior approval of AHP and DHCS. AHP's obligations under this Agreement shall be assignable to DHCS or DHCS's designee upon DHCS's request without the Sponsor's consent. In the event that AHP assigns its obligations under this Agreement to DHCS, AHP shall make commercially reasonable efforts to transition any reasonably necessary documentation related to this Agreement to DHCS or its designee; provided, however, that AHP shall have no obligation to incur any liability nor pay fees, charges, or reimbursement in connection with any assignment, wind-down, or transition of its services hereunder.

20.10 Entire Agreement; Amendments. This Agreement constitutes the entire agreement of the Parties with respect to its subject matter. It supersedes all oral or written agreements or communications between the Parties. No understanding, agreement, modification, change order, or other matter affecting this Agreement shall be binding, unless in writing, signed by both Parties. No handwritten changes shall be effective unless initialed by each Party.

20.11 Independent Legal and Tax Advice. AHP and the Sponsor, each, have reviewed and negotiated this Agreement using such independent legal and tax counsel as each has deemed appropriate. The Sponsor further acknowledges that it has been afforded the opportunity to obtain legal and tax advice concerning its legal and financial duties and obligations, including its state and federal tax liabilities related to its receipt of Program Funds, and hereby confirms by the execution and delivery of this Agreement that it has either done so or waived its right to do so in connection with entering into this Agreement. For the avoidance of doubt, the Sponsor shall be solely responsible for its tax liabilities related to its receipt of Program Funds.

20.12 Exhibits. The attachments, schedules, and addenda attached to this Agreement are a part of this Agreement and incorporated into this Agreement by reference.

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20.13 Partial Invalidity. If any part of this Agreement is unenforceable, the remainder of this Agreement and, if applicable, the application of the affected provision to any other circumstance, shall be fully enforceable.

20.14 Captions. The headings contained herein are for convenience only and are not intended to define, limit, or describe the scope or intent of any provision of this Agreement.

20.15 Force Majeure. Neither Party shall be liable to the other for loss or damages due to failure or delay in rendering performance caused by circumstances beyond its reasonable control, if such failure could not have been overcome by the exercise of due diligence, due care, or foresight. Such circumstances may include, but are not limited to, acts of God or a public enemy; wars; acts of terrorism; riots; fires; floods; epidemics; quarantine restrictions; labor disputes; strikes; defaults of subcontractors/vendors; failure/delays in transportation; unforeseen freight embargoes; unusually severe weather; or any law/order/regulation/request of a state or local government entity, the U.S. Government, or any agency, court, commission, or other instrumentality of any such governments. Times of performance under this Agreement may be appropriately extended for excused delays if the Party whose performance is affected promptly notifies the other of the existence and nature of such delay.

20.16 Publicity. Without prior written approval of the other, neither Party shall use the other's name or make reference to the other Party or any of its directors, officers, employees, consultants, or agents in publications, news releases, advertising, speeches, technical papers, photographs, sales promotions, or publicity purposes of any form related to this work or data developed hereunder, unless disclosure of such materials is required by legal, accounting, or regulatory requirements beyond the disclosing Party's reasonable control. Use of either Party's name may be made in internal documents, annual reports, and proposals. This Section shall survive expiration/termination of this Agreement. Notwithstanding the foregoing, the Sponsor agrees that the State may use and refer to the Sponsor and the Project in any publication, news release, advertising, speech, technical paper, or for any other purposes.

20.17 Notice of Litigation. Promptly, and in any event within five (5) business days after an officer or other authorized representative of the Sponsor obtains knowledge thereof, the Sponsor shall provide written notice to AHP of (i) any litigation or governmental proceeding pending against the Sponsor which could materially adversely affect the business, operations, property, assets, condition (financial or otherwise), or prospects of the Sponsor and (ii) any other event which is likely to materially adversely affect the business, operations, property, assets, condition (financial or otherwise), or prospects of the Sponsor.

20.18 Survival. Except as otherwise stated, sections that by their terms impose continuing obligations or establish continuing rights shall be deemed to survive the expiration or termination of this Agreement.

20.19 Successors. This Agreement shall be binding upon the Parties, their successors, and assigns.

20.20 Approvals. Whenever this Agreement calls for approval by either (i) a Party or (ii) DHCS, approval shall mean prior written approval (including via email), not to be unreasonably conditioned, delayed, or withheld, unless sole discretion is expressly noted.

20.21 Timeliness. Time is of the essence in this Agreement.

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20.22 Counterparts; Electronic Signatures. The Parties may sign this Agreement in several counterparts, each of which constitutes an original, but all of which together constitute one instrument. Electronic signatures are valid and shall bind the Party delivering such signature.

SIGNATURES ON THE FOLLOWING PAGE

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IN WITNESS THEREOF, the Parties hereto have executed this Agreement by their duly authorized respective officers as of the day and year last written below.

AHP:	**SPONSOR:**
ADVOCATES FOR HUMAN POTENTIAL, INC., a Massachusetts corporation	**{{ legal_entity_name | upper }}**, {{ typ_of_legal_entity }}
By:_____	By:_____ {{ las_name_pfa }}, {{ las_title_pfa }}
Date:_____	Date:_____

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LIST OF ATTACHMENTS

Title	No. of Pages
Attachment A – State Requirements	12
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ATTACHMENT A

STATE REQUIREMENTS

Only the State Requirements applicable to the Sponsor's Program Funding are included in this Attachment and inapplicable provisions have been intentionally omitted.

1. Federal Equal Opportunity Requirements.

a. The Sponsor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. The Sponsor will take affirmative action to ensure that qualified applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and career development opportunities and selection for training, including apprenticeship. The Sponsor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Federal Government or AHP, setting forth the provisions of the Equal Opportunity clause, section 503 of the Rehabilitation Act of 1973 and the affirmative action clause required by the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. § 4212). Such notices shall state the Sponsor's obligation under the law to take affirmative action to employ and advance in employment qualified applicants without discrimination based on their race, color, religion, sex, national origin physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era and the rights of applicants and employees.

b. The Sponsor will, in all solicitations or advancements for employees placed by or on behalf of the Sponsor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era.

c. The Sponsor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding a notice, to be provided by the Federal Government or the State, advising the labor union or workers' representative of the Sponsor's commitments under the provisions herein and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

d. The Sponsor will comply with all provisions of and furnish all information and reports required by section 503 of the Rehabilitation Act of 1973, as amended, the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. § 4212) and of the Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment

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Opportunity,' and as supplemented by regulation at 41 C.F.R. part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," and of the rules, regulations, and relevant orders of the Secretary of Labor.

e. The Sponsor will furnish all information and reports required by Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 C.F.R. part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," and the Rehabilitation Act of 1973, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the State and its designated representatives and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

f. In the event of the Sponsor's noncompliance with the requirements of the provisions herein or with any federal rules, regulations, or orders which are referenced herein, this Agreement may be cancelled, terminated, or suspended in whole or in part and the Sponsor may be declared ineligible for further federal and state contracts in accordance with procedures authorized in Federal Executive Order No. 11246 as amended and such other sanctions may be imposed and remedies invoked as provided in Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 C.F.R. part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

g. The Sponsor will include the provisions of Paragraphs a through g in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 C.F.R. part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," or section 503 of the Rehabilitation Act of 1973 or (38 U.S.C. § 4212) of the Vietnam Era Veteran's Readjustment Assistance Act, so that such provisions will be binding upon each Sponsor or vendor. The Sponsor will take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs or AHP may direct as a means of enforcing such provisions including sanctions for noncompliance provided, however, that in the event the Sponsor becomes involved in, or is threatened with litigation by a subcontractor or vendor as a result of such direction by AHP, the Sponsor may request in writing to AHP, who, in turn, may request the United States to enter into such litigation to protect the interests of the State and of the United States.

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2. Travel and Per Diem Reimbursement.

(Applicable if travel and/or per diem expenses are authorized to be reimbursed with Agreement funds.)

Reimbursement for travel and/or per diem expenses from AHP under this Agreement shall, unless otherwise specified in this Agreement, be at the rates currently in effect, as established by the California Department of Human Resources (CalHR), for nonrepresented state employees as stipulated in DHCS's Travel Reimbursement Information Exhibit in Attachment A-State Requirements. If the CalHR rates change during the term of the Agreement, the new rates shall apply upon their effective date and no amendment to this Agreement shall be necessary. Exceptions to California Department of Human Resources (CalHR) lodging rates may be approved by AHP upon the submission of a statement by the Sponsor indicating that such rates are not available to the Sponsor. No travel outside the State of California shall be reimbursed without prior authorization from DHCS. Verbal authorization should be confirmed in writing. Written authorization may be in a form including fax or email confirmation.

3. Procurement Rules.

Applicable to agreements in which equipment/property, commodities and/or supplies are furnished by AHP or DHCS or expenses for said items are reimbursed by funds with state or federal funds provided under this Agreement.

a. Equipment/Property Definitions.

Wherever the term equipment and/or property is used, the following definitions shall apply:

Major equipment/property: A tangible or intangible item having a base unit cost of Five Thousand Dollars ($5,000) or more with a life expectancy of one (1) year or more and is either furnished by DHCS or the cost is reimbursed through this Agreement. Software and videos are examples of intangible items that meet this definition.

Minor equipment/property: A tangible item having a base unit cost of less than Five Thousand Dollars ($5,000) with a life expectancy of one (1) year or more and is either furnished by DHCS or the cost is reimbursed through this Agreement.

b. Government and public entities (including state colleges/universities and auxiliary organizations), whether acting as a contractor and/or subcontractor, may secure all commodities, supplies, equipment and services related to such purchases that are required in performance of this Agreement. Said procurements are subject to Paragraphs d through h of Provision 3. Paragraph c of Provision 3 shall also apply, if equipment/property purchases are delegated to subcontractors that are nonprofit organizations or commercial businesses.

c. Intentionally Omitted.

d. Intentionally Omitted.

e. In AHP's sole discretion (e.g., when AHP has a need to monitor certain purchases, etc.), AHP, with DHCS approval, may require prior written authorization and/or

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the submission of paid vendor receipts for any purchase, regardless of dollar amount. AHP or DHCS reserves the right to either deny claims for reimbursement or to request repayment for any Sponsor purchase that AHP or DHCS determines to be unnecessary in carrying out performance under this Agreement.

f. The Sponsor must maintain a copy or narrative description of the procurement system, guidelines, rules, or regulations that will be used to make purchases under this Agreement. AHP and the State reserves the right to request a copy of these documents and to inspect the purchasing practices of the Sponsor at any time.

g. For all purchases, the Sponsor must maintain copies of all paid vendor invoices, documents, bids and other information used in vendor selection, for inspection or audit. Justifications supporting the absence of bidding (i.e., sole source purchases) shall also be maintained on file by the Sponsor for inspection or audit.

h. AHP may, with cause (e.g., with reasonable suspicion of unnecessary purchases or use of inappropriate purchase practices, etc.), and DHCS approval, withhold, cancel, modify, or retract the delegated purchase authority granted under Paragraphs b and/or c of Provision 3 by giving the Sponsor no less than thirty (30) calendar days written notice.

4. Equipment/Property Ownership/Inventory/Disposition.

(Applicable to agreements in which equipment/property is furnished by DHCS and/or AHP when said items are purchased or reimbursed by DHCS with state or federal funds provided under this Agreement.)

a. Wherever the term equipment and/or property is used in Provision 4, the definitions in Paragraph a of Provision 3 shall apply.

Unless otherwise stipulated in this Agreement, all equipment and/or property that is purchased/reimbursed with Agreement funds or furnished by AHP under the terms of this Agreement shall be considered state equipment and the property of DHCS, unless a waiver is granted.

(1) Reporting of Equipment/Property Receipt - DHCS requires the reporting, tagging and annual inventorying of all equipment and/or property that is furnished by AHP or DHCS, or purchased or reimbursed with funds provided through this Agreement.

Upon receipt of equipment and/or property, the Sponsor shall report the receipt to the AHP. To report the receipt of said items and to receive property tags, the Sponsor shall use a form or format designated by AHP. If the appropriate form does not accompany this Agreement, the Sponsor shall request a copy from AHP.

(2) Annual Equipment/Property Inventory - If the Sponsor enters into an agreement with a term of more than twelve months, the Sponsor shall submit an annual inventory of state equipment and/or property to the AHP using a form or format designated by AHP. If an inventory report form does

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not accompany this Agreement, the Sponsor shall request a copy from AHP. The Sponsor shall:

(a) Include in the inventory report, equipment and/or property in the Sponsor's possession and/or in the possession of a subcontractor (including independent consultants).

(b) Submit the inventory report to AHP according to the instructions appearing on the inventory form or issued by AHP.

(c) Contact AHP to learn how to remove, trade-in, sell, transfer or survey off, from the inventory report, expired equipment and/or property that is no longer wanted, usable or has passed its life expectancy. Instructions will be supplied by AHP.

b. Title to state equipment and/or property shall not be affected by its incorporation or attachment to any property not owned by the State.

c. Unless otherwise stipulated, AHP or DHCS shall be under no obligation to pay the cost of restoration, or rehabilitation of the Sponsor's facility which may be affected by the removal of any state equipment and/or property.

d. The Sponsor shall maintain and administer a sound business program for ensuring the proper use, maintenance, repair, protection, insurance and preservation of state equipment and/or property.

(1) In administering this provision, AHP may require the Sponsor to repair or replace, to AHP's satisfaction, any damaged, lost or stolen state equipment and/or property. In the event of state equipment and/or miscellaneous property theft, the Sponsor shall immediately file a theft report with the appropriate police agency or the California Highway Patrol and the Sponsor shall promptly submit one copy of the theft report to AHP.

e. Unless otherwise stipulated by the Program funding this Agreement, equipment and/or property purchased/reimbursed with agreement funds or furnished by AHP under the terms of this Agreement, shall only be used for performance of this Agreement or another DHCS agreement, with prior approval only.

f. Within sixty (60) calendar days prior to the termination or end of this Agreement, the Sponsor shall provide a final inventory report of equipment and/or property to AHP and shall, at that time, query DHCS as to the requirements, including the manner and method, of returning state equipment and/or property to AHP. Final disposition of equipment and/or property shall be at AHP's expense and according to AHP's instructions. Equipment and/or property disposition instructions shall be issued by AHP immediately after receipt of the final inventory report. At the termination or conclusion of this Agreement, AHP OR DHCS may at its discretion, authorize the continued use of state equipment and/or property for performance of work under a different DHCS agreement.

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5. Subcontract Requirements.

a. Intentionally Omitted.

b. DHCS reserves the right to (i) approve or disapprove the selection of subcontractors, where any such DHCS approval or disapproval may be communicated to the Sponsor by AHP, and (ii) with advance written notice, require the substitution of subcontractors and require the Sponsor to terminate subcontracts entered into in support of this Agreement. DHCS shall consult with the Sponsor prior to issuing a final disapproval of a subcontractor.

(1) Upon receipt of a written notice from AHP requiring the substitution and/or termination of a subcontract, the Sponsor shall take steps to ensure the completion of any work in progress and select a replacement, if applicable, within sixty (60) calendar days, unless a longer period is agreed to by DHCS. DHCS shall consult with the Sponsor prior to issuing a final disapproval of a subcontractor.

c. DHCS in its sole discretion, may elect to require that all actual subcontracts (i.e., written agreement between the Sponsor and a subcontractor) of Fifty Thousand Dollars ($50,000) or more shall be subject to DHCS prior review and written approval. Any such DHCS election shall be confirmed in writing by DHCS.

d. The Sponsor shall maintain a copy of each subcontract entered into in support of this Agreement and shall, upon request by AHP or DHCS, make copies available for approval, inspection, or audit.

e. AHP assumes no responsibility for the payment of subcontractors used in the performance of this Agreement. The Sponsor accepts sole responsibility for the payment of subcontractors used in the performance of this Agreement.

f. The Sponsor is responsible for all performance requirements under this Agreement even though performance may be carried out through a subcontract.

g. The Sponsor shall ensure that all subcontracts for services include provision(s) requiring compliance with applicable terms and conditions specified in this Agreement.

h. The Sponsor agrees to include the following clause, relevant to record retention, in all subcontracts for services:

> The Sponsor agrees to maintain and preserve, until three years after termination of this Agreement and final payment from AHP, to permit AHP or DHCS or any duly authorized representative, to have access to, examine or audit any pertinent books, documents, papers and records related to this subcontract and to allow interviews of any employees who might reasonably have information related to such records.

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i. Unless otherwise stipulated in writing by AHP, AHP shall be the Sponsor's sole point of contact for all matters related to performance and payment under this Agreement.

j. The Sponsor shall, as applicable, advise all subcontractors of their obligations to comply with this **Attachment A**.

6. Intentionally Omitted.

7. Audit and Record Retention.

a. The Sponsor shall maintain books, records, documents, and other evidence, accounting procedures and practices, sufficient to properly reflect all direct and indirect costs of whatever nature claimed to have been incurred in the performance of this Agreement, including any matching costs and expenses. The foregoing constitutes "records" for the purpose of this provision.

b. The Sponsor shall maintain records in a data storage medium that is accessible to AHP and DHCS. DHCS, at its sole discretion, shall determine whether the Sponsor's type of data storage medium meets this accessibility requirement.

c. The Sponsor shall maintain the list of documents as listed in Appendix V of the "Bond Accountability and Audits" guide document. View this publication at the following:
https://dof.ca.gov/media/docs/programs/osae/bond-accountability-and-oversight-activities/Bond_Accountability_and_Audits.pdf

d. The Sponsor's facility or office or such part thereof as may be engaged in the performance of this Agreement and his/her records shall be subject at all reasonable times to inspection, audit, and reproduction.

e. The Sponsor agrees that AHP, DHCS, the Department of General Services, the Bureau of State Audits, or their designated representatives including the Comptroller General of the United States shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. The Sponsor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, the Sponsor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Cal. Gov. Code, § 8546.7; Cal. Code Regs., tit. 2, § 1896.77.)

f. The Sponsor shall preserve and make available his/her records (1) for a period of thirty-five (35) years from the date of final payment under this Agreement, and (2) for such longer period, if any, as is required by applicable statute, by any other provision of this Agreement, or by subparagraphs (1) or (2) below.

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(1) If this Agreement is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of thirty-five (35) years from the date of any resulting final settlement.

(2) If any litigation, claim, negotiation, audit, or other action involving the records has been started before the expiration of the thirty-five (35) year period, the records shall be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular thirty-five (35) year period, whichever is later.

g. The Sponsor may, following receipt of final payment under this Agreement, submit a request to AHP and DHCS to reduce its accounts, books and records related to this Agreement to CD ROM, DVD, or other data storage medium accessible to AHP and DHCS. DHCS, at its sole discretion, may approve or deny this request. Upon request by an authorized representative to inspect, audit or obtain copies of said records, the Sponsor must supply or make available applicable devices, hardware, and/or software necessary to view, copy and/or print said records.

h. The Sponsor shall, if applicable, comply with the Single Audit Act and the audit requirements set forth in 2 C.F.R. § 200.501 (2014).

8. Site Inspection.

The State has the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed hereunder including subcontract supported activities and the premises in which it is being performed. If any inspection or evaluation is made of the premises of the Sponsor, the Sponsor shall provide and shall require Sponsors to provide all reasonable facilities and assistance for the safety and convenience of the authorized representatives in the performance of their duties. All inspections and evaluations shall be performed in such a manner as will not unduly delay the work.

9. Intentionally Omitted.

10. Intentionally Omitted.

11. Warranties.

The Sponsor represents and warrants that:

a. It is free to enter into and fully perform this Agreement.

b. It has secured and will secure all rights and licenses necessary for its performance of this Agreement.

c. It has not granted and shall not grant to any person or entity any right that would or might derogate, encumber, or interfere with any of the rights granted to AHP or DHCS in this Agreement.

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d. It has appropriate systems and controls in place to ensure that State funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

e. It has no knowledge of any outstanding claims, licenses or other charges, liens, or encumbrances of any kind or nature whatsoever that could affect in any way the Sponsor's performance of this Agreement.

f. All materials and equipment furnished with respect to the Project and all work performed by the Sponsor will be of good and workmanlike quality, free from faults and defects, and in conformance with the Agreement.

g. It shall comply with all applicable laws in connection with its performance of its obligations under this Agreement.

h. Intentionally Omitted.

i. It shall disclose to AHP and/or DHCS, during the Term of this Agreement, promptly upon the existence or discovery of the existence of an actual or potential transaction, agreement, or settlement with any entity, member, manager, partner, or person that directly or indirectly owns or controls, is owned or controlled by, or is under common ownership or common control with the Sponsor ("Related Party" or "Related Parties") in connection with the Project ("Related Party Transaction").

j. It shall disclose to AHP and/or DHCS, during the Term of this Agreement, promptly upon the existence or discovery of the existence of a Related Party or a Related Party Transaction: (1) the nature of the relationship, (2) the nature of the potential or actual transaction, agreement, or settlement, (3) the dollar amounts of any such transaction, agreement, or settlement, (4) the dollar amounts due to or from a Related Party, and (5) documents and any additional information, as may be required by AHP and/or DHCS in their sole discretion.

k. The provisions set forth herein shall survive any termination or expiration of this Agreement or any Project schedule.

12. Intentionally Omitted.

13. Prior Approval of Training Seminars, Workshops or Conferences.

The Sponsor shall obtain prior AHP approval of the location, costs, dates, agenda, instructors, instructional materials, and attendees at any reimbursable training seminar, workshop, or conference conducted pursuant to this Agreement and of any reimbursable publicity or educational materials to be made available for distribution. The Sponsor shall acknowledge the support of the State whenever publicizing the work under this Agreement in any media. This provision does not apply to necessary staff meetings or training sessions held for the staff of the Sponsor to conduct routine business matters.

14. Confidentiality of Information.

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a. The Sponsor and its employees, agents, or subcontractors shall protect from unauthorized disclosure names and other identifying information concerning persons either receiving services pursuant to this Agreement or persons whose names or identifying information become available or are disclosed to the subcontractors as a result of services performed under this Agreement, except for statistical information not identifying any such person.

b. The Sponsor and its employees, agents shall not use such identifying information for any purpose other than carrying out the Sponsor's obligations under this Agreement.

c. The Sponsor and its employees, agents shall promptly transmit to the AHP Contract Office or Project Manager all requests for disclosure of such identifying information not emanating from the client or person.

d. The Sponsor shall not disclose, except as otherwise specifically permitted by this Agreement or authorized by the client, any such identifying information to anyone other than AHP without prior written authorization from the AHP Contract Office or Project Manager, except if disclosure is required by State or Federal law.

e. For purposes of this provision, "identity" shall include, but not be limited to name, identifying number, symbol, or other identifying particular assigned to the individual, such as finger or voice print or a photograph.

f. As deemed applicable by AHP or DHCS, this provision may be supplemented by additional terms and conditions covering personal health information (PHI) or personal, sensitive, and/or confidential information (PSCI). Said terms and conditions will be outlined in one or more exhibits that will either be attached to this Agreement or incorporated into this Agreement by reference.

15. Intentionally Omitted.

16. Intentionally Omitted.

17. Intentionally Omitted.

18. Intentionally Omitted.

19. Novation.

If the Contractor proposes any novation agreement, DHCS shall act upon the proposal within sixty (60) days after receipt of the written proposal. DHCS may review and consider the proposal, consult and negotiate with the Contractor, and accept or reject all or part of the proposal. Acceptance or rejection of the proposal may be made orally within the sixty (60)-day period and confirmed in writing within five (5) days of said decision. Upon written acceptance of the proposal, DHCS will initiate an amendment to this Agreement to formally implement the approved proposal.

20. Intentionally Omitted.

21. Intentionally Omitted.

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22. Intentionally Omitted.

23. Intentionally Omitted.

24. Intentionally Omitted.

25. Officials Not to Benefit.

No members of or delegate of Congress or the State Legislature shall be admitted to any share or part of this Agreement or to any benefit that may arise therefrom. This provision shall not be construed to extend to this Agreement if made with a corporation for its general benefits.

26. Intentionally Omitted.

27. Intentionally Omitted.

28. Intentionally Omitted.

29. Intentionally Omitted.

30. Intentionally Omitted.

31. Intentionally Omitted.

32. Suspension or Stop Work Notification.

a. AHP, only with the approval from DHCS, may, at any time, issue a notice to suspend performance or stop work under this Agreement. The initial notification may be a verbal or written directive issued by the funding Program's Contract Manager. Upon receipt of said notice, the Sponsor is to suspend and/or stop all, or any part, of the work called for by this Agreement.

b. Written confirmation of the suspension or stop work notification with directions as to what work (if not all) is to be suspended and how to proceed will be provided within thirty (30) working days of the verbal notification. The suspension or stop work notification shall remain in effect until further written notice is received from AHP or DHCS. The resumption of work (in whole or part) will be at AHP's or DHCS' discretion and upon receipt of written confirmation.

(1) Upon receipt of a suspension or stop work notification, the Sponsor shall immediately comply with its terms and take all reasonable steps to minimize or halt the incurrence of costs allocable to the performance covered by the notification during the period of work suspension or stoppage.

(2) Within ninety (90) days of the issuance of a suspension or stop work notification, AHP or DHCS shall either:

(a) Cancel, extend, or modify the suspension or stop work notification; or

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(b) Terminate the Agreement as provided for in the Cancellation / Termination clause of the Agreement.

c. If a suspension or stop work notification issued under this clause is canceled or the period of suspension or any extension thereof is modified or expires, the Sponsor may resume work only upon written concurrence of AHP or DHCS.

d. If the suspension or stop work notification is cancelled and the Agreement resumes, changes to the services, deliverables, performance dates, and/or agreement terms resulting from the suspension or stop work notification shall require an amendment to the Agreement.

e. If a suspension or stop work notification is not canceled and the Agreement is cancelled or terminated pursuant to the provision entitled Cancellation/ Termination, AHP or DHCS shall allow reasonable costs resulting from the suspension or stop work notification in arriving at the settlement costs.

f. AHP and DHCS, each individually, and collectively, shall not be liable to the Sponsor for loss of profits because of any suspension or stop work notification issued under this clause.

33. Intentionally Omitted.

34. Compliance with Statutes and Regulations.

a. The Sponsor shall comply with all California and federal law, regulations, and published guidelines, to the extent that these authorities contain requirements applicable to the Sponsor's performance under the Agreement.

b. These authorities include, but are not limited to, Title 2, Code of Federal Regulations (CFR) Part 200, subparts D, E, and F, Appendix II; Title 42 CFR Part 431, subpart F; Title 42 CFR Part 433, subpart D; Title 42 CFR Part 434; Title 45 CFR Part 75, subpart D; and Title 45 CFR Part 95, subpart F. To the extent applicable under federal law, this Agreement shall incorporate the contractual provisions in these federal regulations and they shall supersede any conflicting provisions in this Agreement.

35. Intentionally Omitted.

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ATTACHMENT B

State of California
Department of Health Care Services

CERTIFICATION REGARDING LOBBYING

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer of employee of Congress, or an employee of a Member of Congress in connection with the making, awarding, or entering into of this Federal contract, Federal grant, or cooperative agreement, and the extension, continuation, renewal, amendment, or modification of this Federal contract, grant or cooperative agreement.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency of the United States Government, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure of Lobbying Activities" in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontractors, subgrants, and contracts under grants and cooperative agreements) of One Hundred Thousand Dollars ($100,000) or more, and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by § 1352, Title 31, U.S.C., any person who fails to file the required certification shall be subject to a civil penalty of not less than Ten Thousand Dollars ($10,000) and not more than One Hundred Thousand Dollars ($100,000) for each such failure.

{{ legal_entity_name }}, {{ typ_of_legal_entity }}{{ las_name_pfa }}	
Name of the Sponsor Printed	**Name of Person Signing for Sponsor**
{{ contract_id }}	
Contract Number	**Signature of Person Signing for Sponsor**
	{{ las_title_pfa }}
Date	**Title**

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After execution by or on behalf of the Sponsor, please return to:
California Department of Health Care Services

CERTIFICATION REGARDING LOBBYING
Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352

☐ Check this box if not applicable

1. Type of Federal Action: a. Contract b. Grant c. Cooperative Agreement d. Loan e. Loan guarantee f. Loan insurance	**2. Status of Federal Action:** a. bid/offer/application b. initial award c. post-award	**3. Report Type:** a. Initial filing b. Material change For Material Change Only: Year ____ Quarter _____ Date of Last Report _____
4. Name and Address of Reporting Entity: ☐ Prime ☐ Subawardee Tier_____, if known Congressional District, if known: _____	**5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime:** Congressional District, if known: _____	
6. Federal Department/Agency:	**7. Federal Program Name/Description:** CFDA Number, if applicable: _____	
8. Federal Action Number, if known:	**9. Award Amount, if known:** $_____	
10a. Name and Address of Lobbying Registrant (If individual, last name, first name, MI):	**10b. Individuals Performing Services (including address if different from 10a.) (last name, first name, MI):**	

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11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person that fails to file the required disclosure shall be subject to a fine not to exceed $100,000 for each such failure.	Signature: _____ Print Name: {{ las_name_pfa }} Title: {{ las_title_pfa }} Telephone No. {{ las_cell_num_pfa }} Date: _____

INSTRUCTIONS FOR COMPLETION OF SF-LLL,
DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to U.S.C. §1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.

2. Identify the status of the covered Federal action.

3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date and of the last previously submitted report by this reporting entity for this covered Federal action.

4. Enter the full name, address, city, state and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be a prime or subaward recipient. Identify the tier of the

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subawardee, e.g., the first subawardee of the prime is the first tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.

5. If the organization filing the report in item 4 checks "Subawardee", then enter the full name, address, city, state and zip code of the prime Federal recipient. Include Congressional District, if known.

6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, in known. For example, Department of Transportation, United States Coast Guard.

7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.

8. Enter the most appropriate Federal identifying number available for the Federal action identified in Item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB); grant announcement number; the contract, grant or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."

9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.

10. **(a)** Enter the full name, address, city, state and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.

(b) Enter the full names of the individual(s) performing services, and include full address if different from 10(a). Enter Last Name, First Name, and Middle Initial (MI).

11. The certifying official shall sign and date the form, print his/her name, title and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is OMN No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503.

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ATTACHMENT C

THE SPONSOR PUBLIC WORKS CERTIFICATION

The Sponsor Certification Clause
CCC 04/2017

CERTIFICATION

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective Sponsor to the clause(s) listed below. This certification is made under the laws of the State of California.

Sponsor/Bidder Firm Name (Printed)	Federal ID Number
{{ legal_entity_name }}, {{ typ_of_legal_entity }}	{{ agency_tax_id }}

By (Authorized Signature)

{{ las_name_pfa }}, {{ las_title_pfa }}
Printed Name and Title of Person Signing

Date Executed	Executed in the County of
	{{ county }}

SPONSOR CERTIFICATION CLAUSES

ARTICLE 1. STATEMENT OF COMPLIANCE

The Sponsor has, unless exempted, complied with the nondiscrimination program requirements. (Cal. Gov. Code, § 12990, subds. (a)-(f); Cal. Code Regs., tit. 2, § 11102) (Not applicable to public entities.)

ARTICLE 2. DRUG-FREE WORKPLACE REQUIREMENTS

The Sponsor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

a) Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.

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b) Establish a Drug-Free Awareness Program to inform employees about:

1. the dangers of drug abuse in the workplace;

2. the person's or organization's policy of maintaining a drug-free workplace;

3. any available counseling, rehabilitation and employee assistance programs; and

4. penalties that may be imposed upon employees for drug abuse violations.

c) Every employee who works on the proposed Agreement will:

1. receive a copy of the company's drug-free policy statement; and

2. agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and the Sponsor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: (1) the Sponsor has made false certification, or (2) violated the certification by failing to carry out the requirements as noted above. (Cal. Gov. Code, § 8350 et seq.)

ARTICLE 3. NATIONAL LABOR RELATIONS BOARD CERTIFICATION

The Sponsor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against the Sponsor within the immediately preceding two-year period because of the Sponsor's failure to comply with an order of a Federal court which orders the Sponsor to comply with an order of the National Labor Relations Board. (Cal. Pub. Contract Code, § 10296) (Not applicable to public entities.)

ARTICLE 4. INTENTIONALLY OMITTED.

ARTICLE 5. SWEATFREE CODE OF CONDUCT

a) All Sponsors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works Agreement, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the Agreement have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of

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children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The Sponsor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov and California Public Contract Code section 6108.

b) The Sponsor agrees to cooperate fully in providing reasonable access to the Sponsor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations, or the Department of Justice to determine the Sponsor's compliance with the requirements under paragraph (a).

ARTICLE 6. DOING BUSINESS WITH THE STATE OF CALIFORNIA

The following laws apply to persons or entities doing business with the State of California.

6.1 LABOR CODE/WORKERS' COMPENSATION:

The Sponsor needs to be aware of the provisions which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions, and the Sponsor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Cal. Lab. Code, § 3700.)

It is hereby mutually agreed that the Sponsor shall forfeit to the State a monetary penalty as determined in California Labor Code section 1775 for each calendar day, or portion thereof, for each worker paid by him or her, or subcontractor under him or her, less than the prevailing wage so stipulated and in addition the contractor further agrees to pay to each worker the difference between the actual amount paid for each calendar day, or portion thereof, and the stipulated prevailing wage rate for the same. This provision shall not apply to properly, registered apprentices.

It is further agreed that the maximum hours a worker is to be employed is limited to eight hours a day and forty (40) hours a week and the contractor shall forfeit, as a penalty to the State, twenty-five dollars ($25.00) for each worker employed in the execution of the contract for each calendar day during which a worker is required or permitted to labor more than eight hours in any calendar day or more than forty (40) hours in any calendar week, in violation of California Labor Code sections 1810-1815, inclusive.

Properly registered apprentices may be employed in the prosecution of the work. Every such apprentice shall be paid the standard wage paid to apprentices under the regulations of the craft or trade at which he or she is employed, and shall be employed only at the work of the craft or trade to which he or she is registered. The contractor and each subcontractor must comply with the requirements of California Labor Code section 1777.5 and any related regulations regarding the employment of registered apprentices.

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Each contractor and subcontractor shall comply with California Labor Code section 1776 regarding record keeping.

6.2 AMERICANS WITH DISABILITIES ACT:

The Sponsor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. § 12101 et seq.)

6.3 THE SPONSOR'S NAME CHANGE:

An amendment is required to change the Sponsor's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

6.4 CORPORATE QUALIFICATION TO DO BUSINESS IN CALIFORNIA:

a) When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the Sponsor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.

b) "Doing business" is defined in California Revenue and Taxation Code section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate Sponsor performing within the state not be subject to the franchise tax.

c) Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

6.5 RESOLUTION:

A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

6.6 AIR OR WATER POLLUTION VIOLATION:

Under the State laws, the Sponsor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to section 13301 of the California Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

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6.7 PAYEE DATA RECORD FORM STD. 204:

This form must be completed by all Sponsors that are not another state agency or other government entity.

6.8 CALIFORNIA CIVIL RIGHTS LAWS:

For Agreement executed or renewed after January 1, 2017, the Sponsor certifies compliance with the Unruh Civil Rights Act (section 51 of the California Civil Code) and the Fair Employment and Housing Act (section 12960 of the California Government Code).

6.9 EMPLOYER DISCRIMINATION POLICIES:

For Agreements executed or renewed after January 1, 2017, if the Sponsor has an internal policy against a sovereign nation or peoples recognized by the United States government, the Sponsor certifies that such policies are not used in violation of the Unruh Civil Rights Act (section 51 of the California Civil Code) and the Fair Employment and Housing Act (section 12960 of the California Government Code).

6.10 ANTITRUST CLAIMS:

The Sponsor offers and agrees and will require all of its contractors and subcontractors and suppliers to agree to assign to the awarding body all rights, title, and interest in and to all causes of action they may have under section 4 of the Clayton Act (Title 15, U.S.C. § 15) or under the Cartwright Act (Chapter 2 [commencing with section 16700] of Part 2 of Division 7 of the Business and Professions Code) arising from purchases of goods, services, or materials pursuant to the public works contract or subcontract. The assignment made by the contractor and all additional assignments made by the subcontractors and suppliers shall be deemed to have been made and will become effective at the time the awarding body tenders final payment to the contractor without further acknowledgment or the necessity of tendering to the awarding body any written assignments.

If an awarding body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under California Government Code sections 4550 to 4554, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, on demand, recover from the public body any portion of the recovery, including treble damages, and attributable overcharges that were paid by the assignor but were not paid by the public body as a part of the bid price, less the expenses incurred in obtaining that portion of the recovery. On demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under California Government Code sections 4550 to 4554 if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action.

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ATTACHMENT D

STATEMENT OF WORK ("SOW")

A: PROJECT AND SPONSOR INFORMATION
Sponsor Name:
Entity type:
Project UUID:
Project Name:
Project Address:

B: PROGRAM FUNDS
Program Funds:
Acquisition with Grant Funds:

C: PROJECT NARRATIVE (as described in the RFA)
1. Behavioral health purpose of the Project 2. Population to be served by the Project

D: PROJECT EXPANSION SCOPE REQUIREMENTS		
Facility Type 1:	**# New Beds:**	**# New Slots:**
Facility Type 2:	**# New Beds:**	**# New Slots:**
Facility Type 3:	**# New Beds:**	**# New Slots:**
Facility Type 4:	**# New Beds:**	**# New Slots:**
Facility Type 5:	**# New Beds:**	**# New Slots:**

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Facility Type 6:	**# New Beds:**	**# New Slots:**
Facility Type 7:	**# New Beds:**	**# New Slots:**
Facility Type 8:	**# New Beds:**	**# New Slots:**
	Total # New Beds:	**Total # New Slots:**

E: PROJECT MILESTONES AND DELIVERABLES

Milestone documentation and certifications must be submitted within sixty (60) days of meeting each milestone. Future Bond BHCIP Round 2: Unmet Needs funding for this Project is dependent on successful completion of the minimum requirements and match minimum requirements at this Project Milestone and the terms and conditions of the Program Funding Agreement.

E.1 Minimum Requirements

1. Executed Program Funding Agreement
2. Board Authorizing Resolutions (BAR), if applicable
3. Completed Government Agency Taxpayer ID Form (W-9)
4. Opinion Letter by Legal Counsel
5. Certificates of Insurance: Commercial General Liability, Workers' Compensation, and Property
6. Current Title Report issued within the last thirty (30) days, if applicable
7. Recorded Declaration of Restrictions (DoR)
8. Certification #5 - Declaration of Restrictions
9. Execution of Facility Access Agreement (FAA) with State of California, Department of Health Care Services
10. Certification #1 - Budget Prevailing Wage Compliance
11. Certification #2 - Related Party and Related Party Transaction Disclosure
12. Certification #3 – Execution of Program Funding Agreement
13. Certification #6 - Legal Review of CA Welfare and Institution Code §5960.31
14. Certification #19 – Execution of a Facility Access Agreement with State of California, Department of Health Care Services
15. Program Funding Projection Survey

E.2 Match Minimum Requirements

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1. Documentation to satisfy that Sponsor has an In-Kind Match, if applicable:
    a. Property Value Documentation (Tax Assessor's Value or Certified Appraisal)
    b. Sunk Costs Value Documentation (paid receipts, invoices, payment validation)
2. Documentation to satisfy evidence of Cash Match Funds as approved by DHCS. Entire cash match must be expended prior to disbursement of the final up to twenty-five percent (25%) of Program Funds ("**Withheld Funds**") to Sponsor.
3. Certification # 4 - Match Funds, Property Equity, or In-Kind Match

E.3 Acquisition

In addition to the deliverables listed in Minimum Requirements, all projects acquired with Bond BHCIP funds will be required to submit:

1. Purchase and Sale Agreement (mutually executed by buyer and seller)
2. Certified Appraisal Report of Target Acquisition Property
3. Estimate of Escrow Closing Costs
4. Phase 1 Environmental Report
5. Phase 2 Environmental Report, if necessary
6. Asbestos Assessment and Lead-Based Paint Report
7. Certification #8 - Due Diligence Completed
8. Evidence of Any Additional Funds Necessary to Acquire Real Property, if necessary
9. Signed Escrow Instructions including Final Settlement Statement
10. Planning Agency Review Narrative
11. Certification #7 - Planning Agency Review

E.4 Pre-Construction (Planning and Permitting)

1. Phase 1 environmental report
2. Phase 2 environmental report, if necessary
3. Asbestos assessment and lead-based paint report (only required for rehabilitations)
4. Evidence of remediation or abatement, if necessary
5. Certification # 8 - Due Diligence Completed, if not previously provided
6. Planning Agency Review Narrative, if not previously provided
7. Certification # 7 - Planning Agency Review, if not previously provided
8. Certification # 9 - Design Development Drawings Are 100% Complete
9. Certification # 10 – Construction Drawings for First Submittal To Building Department

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E.5 Start of Construction (Notice to Proceed and Executed Construction Contract)
1. Certificate of Insurance: Builders' Risk 2. Complete set of approved/stamped construction drawings 3. Executed construction contract with Construction Contract Addendum (**Attachment I** within PFA) 4. Certification # 11 – Construction Contract with Construction Contract Addendum 5. Confirmation the project has been registered with the California Department of Industrial Relations (DIR) 6. Evidence of Payment and Performance Bond by general contractor 7. Certification # 12 – Prevailing Wage Compliance 8. Copy of building permits 9. Approvals and Written Utility Service Commitments (will serve letters) from all Local Agencies, as required 10. Copy of Notice of Exemption filed for California Environmental Quality Act 11. Certification # 13 – Utility Service Commitments, Building Permit Receipt, and Notice Of Exemption Filed 12. Updated construction contract budget & schedule prior to issuance of Notice to Proceed 13. Evidence of Property Insurance (rehabilitation) – review to ensure coverage is "equal to the full replacement costs of all improvements" per the PFA 14. Evidence of Workers' Compensation Insurance, Automobile Insurance, and General Liability Insurance 15. Copy of Notice to Proceed with issue date 16. Certification # 14 – Required Insurance and Notice to Proceed
E.6 Project Construction 50% Complete
1. Certification #15 – Project Construction is 50% Complete 2. Updated construction budget and schedule from general contractor at expenditure of 50% of the costs of construction
E.7 Construction Complete, Licensing, and Operations
1. Temporary Certificate of Occupancy, if necessary 2. Certification #16 – Receipt of Certificate of Occupancy (CoO) 3. Certification #17 – Notice of Completion and Receipt of Conditional/Unconditional Final Release of Liens 4. Copy of Notice of Completion 5. Certification #18 – Receipt of Business License and Operational

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6. Certification #20 –Project Close-Out, Retention Funds, Excess Funds, And Continued Compliance

F. FUNDING REQUIREMENTS

Minimum Requirements for all requests:

1. Complete Draw Request for Program Funds inclusive of signed sponsor draw request form, invoice index, all proof of payment (including preliminary lien notices, conditional lien waivers, and lien release), if applicable
2. Site inspections reports, as necessary
3. Budget reallocation request, if applicable
4. Requirements associated with project milestone (Section E), dependent on project type
5. Updated Program Funding Projection Survey
6. DHCS Forms 1203 and 1204, as needed for purchases of Furniture, Fixtures, and Equipment (FF&E), if applicable
7. Regular progress reports to AHP but in all events at least once every thirty (30) days
8. Additional documentation as required at the sole discretion of AHP or DHCS.

Release of Retention Funds

9. Retention Funds, equal to ten percent (10%) of total Program Funds, are withheld as financial security until the contractor satisfactorily completes the construction work in accordance with contract requirements.
10. Retention Funds shall be released only upon the Sponsor's submission of Certification No. 17, "Notice of Completion and Receipt of Conditional/Unconditional Final Releases of Liens," in a form and substance acceptable to AHP or DHCS, and any additional supporting documentation, as may be required, subject to approval by AHP or DHCS.

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SCHEDULE 1

BOND BHCIP ROUND 2 FORM 2: UNMET NEEDS BUDGET	
Applicant Name	
Primary Applicant's legal entity type	
BOND BHCIP ROUND 2 BUDGET: GRANT REQUEST	
FEASIBILITY/DUE DILIGENCE	
USE OF FUNDS	**To be funded by grant**
Owner Administration (10% autofill)	$0.00
Legal	
Architect (schematic drawings/fit study)	
Consultants (specify)	
Engineering	
Construction Manager/Owner's Representative	
Preliminary Title Report (submitted with application)	
Phase 1 Environmental Report	
Phase 2 Environmental Report, if necessary	
Site Surveys (soils and environmental)	
Other Feasibility / Due Diligence Costs	
Other Feasibility / Due Diligence Costs	
DEVELOPMENT PLANNING	
USE OF FUNDS	**To be funded by grant**
Owner Administration (10% autofill)	$0.00
Legal	
Architecture (design drawings and construction drawings)	
Construction Manager/Owner's Representative	
Civil Engineer	
Mechanical, Electrical, and Plumbing (MEP) Engineer	
Structural Engineer	
Certified Appraisal Fee (for Property Match)	
Consultants (specify)	
Consultants (specify)	

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Consultants (specify)	
Other Developmental Planning Costs (specify)	
Other Developmental Planning Costs (specify)	
Other Developmental Planning Costs (specify)	
Contingency (20% autofill)	$0.00
Total Development Planning Costs	$0.00
LAND COSTS/ACQUISITION	
USE OF FUNDS	**To be funded by grant**
Owner Administration (2% autofill)	$0.00
Land Cost or Purchase Price	
Closing Costs	
Legal Fees	
Broker's Fee	
Appraisal Fee	
Property Insurance at Closing	
Construction Manager	
Demolition Involved in Acquisition	
Other Acquisition Costs (specify)	
Contingency (5% autofill)	$0.00
Total Land Costs	$0.00
Off-Site Improvements (if needed)	
Total Acquisition Costs	$0.00
REHABILITATION OF EXISTING FACILITY	
USE OF FUNDS	**To be funded by grant**
Owner Administration (5% autofill)	$0.00
Legal	
Construction Manager/Owner's Representative	
Physical Needs Assessment (PNA)	
Asbestos and Lead Paint Survey (required for all rehabs)	
Site Work/Grading (materials and labor)	
Hard Costs (materials and labor); labor must include prevailing wages	
Furniture/Fixtures/Equipment (FFE; 10% cap)	
Demolition	
Contractor Overhead	

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Contractor Profit	
Prevailing Wages Administration	
Builder's Risk Insurance	
General Liability Insurance	
Project Inspection	
Urban Greening	
Other Rehabilitation (specify)	
Other Rehabilitation (specify)	
Other Rehabilitation (specify)	
Owner's Contingency (20% autofill)	$0.00
Total Rehabilitation Costs	$0.00
GROUND-UP NEW CONSTRUCTION	
USE OF FUNDS	**To be funded by grant**
Owner Administration (5% autofill)	$0.00
Legal	
Construction Manager/Owner's Representative	
Site Work (materials and labor)	
Hard Costs (materials and labor); labor must include prevailing wages	
Furniture/Fixtures/Equipment (FFE; 10% cap)	
Demolition	
General Conditions/Requirements	
Contractor Profit	
Prevailing Wages Administration	
Builder's Risk Insurance	
General Liability Insurance	
Project Inspection	
Urban Greening	
Other New Construction (specify)	
Other New Construction (specify)	
Other New Construction (specify)	
Other New Construction (specify)	
Other New Construction (specify)	
Owner's Contingency (20% autofill)	$0.00
Total New Construction Costs	$0.00
CONSTRUCTION PERMITS AND FEES	
USE OF FUNDS	**To be funded by grant**

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Owner Administration (10% autofill)	$0.00
Payment and Performance Bonds by General Contractor	
Building Permit Fees	
Local Development Impact Fees	
DIR Employment Reporting	
Other Construction Permits and Fees (specify)	
Other Construction Permits and Fees (specify)	
Other Construction Permits and Fees (specify)	
Owner's Contingency (10% autofill)	$0.00
Total Construction Permits and Fees	$0.00
RESERVES	
USE OF FUNDS	**To be funded by grant**
Operating Reserves (rehabilitation)	
Additional Cash Match (in excess of the required match percentage)	
Total Reserves Amount	$0.00
OTHER PROJECT COSTS	
USE OF FUNDS	**To be funded by grant**
Post-Construction Commissioning	
Accounting/Reimbursable	
Other Costs (specify)	
Other Costs (specify)	
Other Costs (specify)	
Other Costs (specify)	
Owner's Contingency (10% autofill)	$0.00
Total Other Project Costs	$0.00
Post-Construction Commissioning	
DEVELOPER COSTS	
USE OF FUNDS	**To be funded by grant**
Developer Overhead	
Consultants/Processing Agents	
Project Administration	
Other Developer Costs (specify)	
Total Developer Costs	$0.00
TOTAL BOND BHCIP ROUND 2 FUNDING:	

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ATTACHMENT E

PAYMENT SCHEDULE

Payment Schedule

Payment schedule: The Sponsor shall submit a complete request for Program Funds monthly no later than the last day of each month to AHP and DHCS in a form acceptable to AHP and DHCS, for a specific amount of funds confirmed by specific invoices and supporting documents for actual work completed. The Sponsor shall submit a draw request for any expenditure no later than forty-five (45) days from the date the Sponsor incurs the expense. AHP shall disburse Program Funds to the Sponsor's account upon written approval of the Sponsor's complete draw request, contingent upon the availability of Bond BHCIP Funds.

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ATTACHMENT F

THE SPONSOR COMPLIANCE CERTIFICATIONS

CERTIFICATION NO. 1	**BUDGET PREVAILING WAGE COMPLIANCE**
CERTIFICATION NO. 2	**RELATED PARTY & RELATED PARTY TRANSACTION DISCLOSURE**
CERTIFICATION NO. 3	**EXECUTION OF PROGRAM FUNDING AGREEMENT**
CERTIFICATION NO. 4	**MATCH FUNDS, PROPERTY EQUITY, OR IN-KIND MATCH**
CERTIFICATION NO. 5	**DECLARATION OF RESTRICTIONS**
CERTIFICATION NO. 6	**LEGAL REVIEW OF CA WELFARE AND INSTITUTIONS CODE §5960.31**
CERTIFICATION NO. 7	**PLANNING AGENCY REVIEW**
CERTIFICATION NO. 8	**DUE DILIGENCE COMPLETED**
CERTIFICATION NO. 9	**DESIGN DEVELOPMENT DRAWINGS 100% COMPLETE**
CERTIFICATION NO. 10	**CONSTRUCTION DRAWINGS FOR FIRST SUBMITTAL TO BUILDING DEPARTMENT**
CERTIFICATION NO. 11	**CONSTRUCTION CONTRACT WITH CONSTRUCTION CONTRACT ADDENDUM**
CERTIFICATION NO. 12	**PREVAILING WAGE COMPLIANCE**
CERTIFICATION NO. 13	**UTILITY SERVICE COMMITMENTS, BUILDING PERMIT RECEIPT AND NOTICE OF EXEMPTION FILED**
CERTIFICATION NO. 14	**REQUIRED INSURANCE AND NOTICE TO PROCEED**
CERTIFICATION NO. 15	**PROJECT CONSTRUCTION IS 50% COMPLETE**
CERTIFICATION NO. 16	**RECEIPT OF CERTIFICATE OF OCCUPANCY**
CERTIFICATION NO. 17	**NOTICE OF COMPLETION AND RECEIPT OF CONDITIONAL/UNCONDITIONAL FINAL RELEASES OF LIENS**
CERTIFICATION NO. 18	**RECEIPT OF BUSINESS LICENSE AND OPERATIONAL**
CERTIFICATION NO. 19	**EXECUTION OF A FACILITY ACCESS AGREEMENT WITH STATE OF CALIFORNIA, DEPARTMENT OF HEALTH CARE SERVICES**
CERTIFICATION NO. 20	**PROJECT CLOSE-OUT, RETENTION FUNDS, EXCESS FUNDS, AND CONTINUED COMPLIANCE**

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SPONSOR'S CERTIFICATION NO. 1

BUDGET PREVAILING WAGE COMPLIANCE

I, {{ las_name_pfa }}, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California (the "**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. As part of the application, the Sponsor has submitted a construction budget for the Project. The construction budget was prepared with the assistance and/or consultation of a licensed contractor, architect, or experienced construction manager; the licensed contractor, architect, or construction manager was informed that the Project is a Public Works project as that term is defined in the California Labor Code section 1720 et. seq.; and was prepared using the applicable prevailing wages for all construction work to be performed as part of the Project in accordance with California Labor Code section 1720 et seq.

4. The Sponsor further certifies that the Sponsor (i) has been provided with copies of California Labor Code sections 1771, 1775, 1776, 1777.5, 1813 and 1815, attached hereto as Schedule 1; (ii) has included, or shall include, those California Labor Code provisions in the construction contract with the licensed contractor; and (iii) has notified, or shall notify, the licensed contractor that such California Labor Code provisions must be included in any subcontracts.

5. The Sponsor acknowledges and agrees to periodically review the licensed contractors' payroll records to monitor compliance with California prevailing wage requirements and to take diligent action if the Sponsor discovers any failure by the licensed contractor or any of its subcontractors to pay prevailing wages or to otherwise comply with the requirements of the California Labor Code.

6. The Sponsor agrees, in accordance with California Labor Code section 1773.3, to provide notice to the California Department of Industrial Relations ("**DIR**") of the construction contract within thirty (30) days of the award of such construction contract.

7. The Sponsor shall require the licensed contractor to keep accurate payroll records in compliance with California Labor Code section 1776 and shall require the licensed contractor to make such records available to the DIR in accordance with California Labor Code section 1771.4(a)(3).

8. The Sponsor shall comply with, and shall require its licensed contractor to comply with, any and all other requirements of the California Labor Code related to prevailing wages, all California

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wage and hours laws, and any applicable federal labor and wage and hour requirements for the duration of the Project.

I certify under penalty of perjury that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 1, Budget Prevailing Wage Compliance, as a condition of receiving the Program Funds.

_____
Authorized Signature

{{ las_name_pfa }}
Typed Name of Signatory

{{ las_title_pfa }}
Title of Signatory

_____
Date

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Schedule 1
Copies of California Labor Code Sections 1771, 1775, 1776, 1777.5, 1813, and 1815 Attached

STATE PREVAILING WAGES STATUTES

The provisions of California Labor Code sections 1771, 1775, 1776, 1777.5, 1813, and 1815, as set out below and as may be amended, must be incorporated into all construction contracts. All references to sections are to sections of the California Labor Code.

(i) Section 1771:

"Except for public works projects of one thousand dollars ($1,000) or less, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the public work is performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work fixed as provided in this chapter, shall be paid to all workers employed on public works.

This section is applicable only to work performed under contract, and is not applicable to work carried out by a public agency with its own forces. This section is applicable to contracts let for maintenance work."

(ii) Section 1775:

"(a) (1) The contractor and any subcontractor under the contractor shall, as a penalty to the state or political subdivision on whose behalf the contract is made or awarded, forfeit not more than two hundred dollars ($200) for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rates as determined by the director for the work or craft in which the worker is employed for any public work done under the contract by the contractor or, except as provided in subdivision (b), by any subcontractor under the contractor.

(2) (A) The amount of the penalty shall be determined by the Labor Commissioner based on consideration of both of the following:

(i) Whether the failure of the contractor or subcontractor to pay the correct rate of per diem wages was a good faith mistake and, if so, the error was promptly and voluntarily corrected when brought to the attention of the contractor or subcontractor.

(ii) Whether the contractor or subcontractor has a prior record of failing to meet its prevailing wage obligations.

(B) (i) The penalty may not be less than forty dollars ($40) for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rate, unless the failure of the contractor or subcontractor to pay the correct rate of per diem wages was a good faith mistake and, if so, the error was promptly and voluntarily corrected when brought to the attention of the contractor or subcontractor.

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(ii) The penalty may not be less than eighty dollars ($80) for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rate, if the contractor or subcontractor has been assessed penalties within the previous three years for failing to meet its prevailing wage obligations on a separate contract, unless those penalties were subsequently withdrawn or overturned.

(iii) The penalty may not be less than one hundred twenty dollars ($120) for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rate, if the Labor Commissioner determines that the violation was willful, as defined in subdivision (c) of Section 1777.1.

(C) If the amount due under this section is collected from the contractor or subcontractor, any outstanding wage claim under Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 against that contractor or subcontractor shall be satisfied before applying that amount to the penalty imposed on that contractor or subcontractor pursuant to this section.

(D) The determination of the Labor Commissioner as to the amount of the penalty shall be reviewable only for abuse of discretion.

(E) The difference between the prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the contractor or subcontractor, and the body awarding the contract shall cause to be inserted in the contract a stipulation that this section will be complied with.

(b) If a worker employed by a subcontractor on a public works project is not paid the general prevailing rate of per diem wages by the subcontractor, the prime contractor of the project is not liable for any penalties under subdivision (a) unless the prime contractor had knowledge of that failure of the subcontractor to pay the specified prevailing rate of wages to those workers or unless the prime contractor fails to comply with all of the following requirements:

(1) The contract executed between the contractor and the subcontractor for the performance of work on the public works project shall include a copy of the provisions of this section and Sections 1771, 1776, 1777.5, 1813, and 1815.

(2) The contractor shall monitor the payment of the specified general prevailing rate of per diem wages by the subcontractor to the employees, by periodic review of the certified payroll records of the subcontractor.

(3) Upon becoming aware of the failure of the subcontractor to pay his or her workers the specified prevailing rate of wages, the contractor shall diligently take corrective action to halt or rectify the failure, including, but not limited to, retaining sufficient funds due the subcontractor for work performed on the public works project.

(4) Prior to making final payment to the subcontractor for work performed on the public works project, the contractor shall obtain an affidavit signed under penalty of perjury from the subcontractor that the subcontractor has paid the specified general prevailing rate of

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per diem wages to his or her employees on the public works project and any amounts due pursuant to Section 1813.

(c) The Division of Labor Standards Enforcement shall notify the contractor on a public works project within 15 days of the receipt by the Division of Labor Standards Enforcement of a complaint of the failure of a subcontractor on that public works project to pay workers the general prevailing rate of per diem wages."

(iii) Section 1776:

"(a) Each contractor and subcontractor shall keep accurate payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by the contractor of subcontractor in connection with the public work. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following:

(1) The information contained in the payroll record is true and correct.

(2) The employer has complied with the requirements of Sections 1771, 1811, and 1815 for any work performed by that person on the public works project.

(b) The payroll records enumerated under subdivision (a) shall be certified and shall be available for inspection at all reasonable hours at the principal office of the contractor on the following basis:

(1) A certified copy of an employee's payroll record shall be made available for inspection or furnished to the employee or the employee's authorized representative on request.

(2) A certified copy of all payroll records enumerated in subdivision (a) shall be made available for inspection or furnished upon request to a representative of the body awarding the contract and the Division of Labor Standards Enforcement of the Department of Industrial Relations.

(3) A certified copy of all payroll records enumerated in subdivision (a) shall be made available upon request by the public for inspection or for copies thereof. However, a request by the public shall be made through either the body awarding the contract or the Division of Labor Standards Enforcement. If the requested payroll records have not been provided pursuant to paragraph (2), the requesting party shall, prior to being provided the records, reimburse the costs of preparation by the contractor, subcontractors, and the entity through which the request was made. The public may not be given access to the records at the principal office of the contractor.

(c) Unless required to be furnished directly to the Labor Commissioner in accordance with paragraph (3) of subdivision (a) of Section 1771.4, the certified payroll records shall be on forms provided by the Division of Labor Standards Enforcement or shall contain the same information as the forms provided by the division. The payroll records may consist of printouts of payroll data that are maintained as computer records, if the printouts contain

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the same information as the forms provided by the division and the printouts are verified in the manner specified in subdivision (a).

(d) A contractor or subcontractor shall file a certified copy of the records enumerated in subdivision (a) with the entity that requested the records within 10 days after receipt of a written request.

(e) Except as provided in subdivision (f), any copy of records made available for inspection as copies and furnished upon request to the public or any public agency by the awarding body or the Division of Labor Standards Enforcement shall be marked or obliterated to prevent disclosure of an individual's name, address, and social security number. The name and address of the contractor awarded the contract or the subcontractor performing the contract shall not be marked or obliterated. Any copy of records made available for inspection by, or furnished to, a multiemployer Taft-Hartley trust fund (29 U.S.C. Sec. 186(c)(5)) that requests the records for the purposes of allocating contributions to participants shall be marked or obliterated only to prevent disclosure of an individual's full social security number, but shall provide the last four digits of the social security number. Any copy of records made available for inspection by, or furnished to, a joint labor-management committee established pursuant to the federal Labor Management Cooperation Act of 1978 (29 U.S.C. Sec. 175a) shall be marked or obliterated only to prevent disclosure of an individual's social security number.

(f) (1) Notwithstanding any other provision of law, agencies that are included in the Joint Enforcement Strike Force on the Underground Economy established pursuant to Section 329 of the Unemployment Insurance Code and other law enforcement agencies investigating violations of law shall, upon request, be provided nonredacted copies of certified payroll records. Any copies of records or certified payroll made available for inspection and furnished upon request to the public by an agency included in the Joint Enforcement Strike Force on the Underground Economy or to a law enforcement agency investigating a violation of law shall be marked or redacted to prevent disclosure of an individual's name, address, and social security number.

(2) An employer shall not be liable for damages in a civil action for any reasonable act or omission taken in good faith in compliance with this subdivision.

(g) The contractor shall inform the body awarding the contract of the location of the records enumerated under subdivision (a), including the street address, city, and county, and shall, within five working days, provide a notice of a change of location and address.

(h) The contractor or subcontractor has 10 days in which to comply subsequent to receipt of a written notice requesting the records enumerated in subdivision (a). In the event that the contractor or subcontractor fails to comply within the 10-day period, the contractor or subcontractor shall, as a penalty to the state or political subdivision on whose behalf the contract is made or awarded, forfeit one hundred dollars ($100) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Labor Standards Enforcement, these penalties shall be withheld from progress payments then due. A contractor is not subject to a penalty assessment pursuant to this section due to the failure of a subcontractor to comply with this section.

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(i) The body awarding the contract shall cause to be inserted in the contract stipulations to effectuate this section.

(j) The director shall adopt rules consistent with the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) and the Information Practices Act of 1977 (Title 1.8 (commencing with Section 1798) of Part 4 of Division 3 of the Civil Code) governing the release of these records, including the establishment of reasonable fees to be charged for reproducing copies of records required by this section."

(iv) Section 1777.5:

"(a) (1) This chapter does not prevent the employment upon public works of properly registered apprentices who are active participants in an approved apprenticeship program.

(2) For purposes of this chapter, "apprenticeship program" means a program under the jurisdiction of the California Apprenticeship Council established pursuant to Section 3070.

(b) (1) Every apprentice employed upon public works shall be paid the prevailing rate of per diem wages for apprentices in the trade to which he or she is registered and shall be employed only at the work of the craft or trade to which he or she is registered.

(2) Unless otherwise provided by a collective bargaining agreement, when a contractor requests the dispatch of an apprentice pursuant to this section to perform work on a public works project and requires the apprentice to fill out an application or undergo testing, training, an examination, or other preemployment process as a condition of employment, the apprentice shall be paid for the time spent on the required preemployment activity, including travel time to and from the required activity, if any, at the prevailing rate of per diem wages for apprentices in the trade to which he or she is registered. Unless otherwise provided by a collective bargaining agreement, a contractor is not required to compensate an apprentice for the time spent on preemployment activities if the apprentice is required to take a preemployment drug or alcohol test and he or she fails to pass that test.

(c) Only apprentices, as defined in Section 3077, who are in training under apprenticeship standards that have been approved by the Chief of the Division of Apprenticeship Standards and who are parties to written apprentice agreements under Chapter 4 (commencing with Section 3070) of Division 3 are eligible to be employed at the apprentice wage rate on public works. The employment and training of each apprentice shall be in accordance with either of the following:

(1) The apprenticeship standards and apprentice agreements under which he or she is training.

(2) The rules and regulations of the California Apprenticeship Council.

(d) If the contractor to whom the contract is awarded by the state or any political subdivision, in performing any of the work under the contract, employs workers in any apprenticeable craft or trade, the contractor shall employ apprentices in at least the ratio set forth in this section and may apply to any apprenticeship program in the craft or trade that

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can provide apprentices to the site of the public work for a certificate approving the contractor under the apprenticeship standards for the employment and training of apprentices in the area or industry affected. However, the decision of the apprenticeship program to approve or deny a certificate shall be subject to review by the Administrator of Apprenticeship. The apprenticeship program or programs, upon approving the contractor, shall arrange for the dispatch of apprentices to the contractor. A contractor covered by an apprenticeship program's standards shall not be required to submit any additional application in order to include additional public works contracts under that program. "Apprenticeable craft or trade," as used in this section, means a craft or trade determined as an apprenticeable occupation in accordance with rules and regulations prescribed by the California Apprenticeship Council. As used in this section, "contractor" includes any subcontractor under a contractor who performs any public works not excluded by subdivision (o).

(e) Before commencing work on a contract for public works, every contractor shall submit contract award information to an applicable apprenticeship program that can supply apprentices to the site of the public work. The information submitted shall include an estimate of journeyman hours to be performed under the contract, the number of apprentices proposed to be employed, and the approximate dates the apprentices would be employed. A copy of this information shall also be submitted to the awarding body, if requested by the awarding body. Within 60 days after concluding work on the contract, each contractor and subcontractor shall submit to the awarding body, if requested, and to the apprenticeship program a verified statement of the journeyman and apprentice hours performed on the contract. The information under this subdivision shall be public. The apprenticeship programs shall retain this information for 12 months.

(f) The apprenticeship program supplying apprentices to the area of the site of the public work shall ensure equal employment and affirmative action in apprenticeship for women and minorities.

(g) The ratio of work performed by apprentices to journeymen employed in a particular craft or trade on the public work may be no higher than the ratio stipulated in the apprenticeship standards under which the apprenticeship program operates if the contractor agrees to be bound by those standards. However, except as otherwise provided in this section, in no case shall the ratio be less than one hour of apprentice work for every five hours of journeyman work.

(h) This ratio of apprentice work to journeyman work shall apply during any day or portion of a day when any journeyman is employed at the jobsite and shall be computed on the basis of the hours worked during the day by journeymen so employed. Any work performed by a journeyman in excess of eight hours per day or 40 hours per week shall not be used to calculate the ratio. The contractor shall employ apprentices for the number of hours computed as above before the end of the contract or, in the case of a subcontractor, before the end of the subcontract. However, the contractor shall endeavor, to the greatest extent possible, to employ apprentices during the same time period that the journeymen in the same craft or trade are employed at the jobsite. When an hourly apprenticeship ratio is not feasible for a particular craft or trade, the Administrator of Apprenticeship, upon

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application of an apprenticeship program, may order a minimum ratio of not less than one apprentice for each five journeymen in a craft or trade classification.

(i) A contractor covered by this section who has agreed to be covered by an apprenticeship program's standards upon the issuance of the approval certificate, or who has been previously approved for an apprenticeship program in the craft or trade, shall employ the number of apprentices or the ratio of apprentices to journeymen stipulated in the applicable apprenticeship standards, but in no event less than the 1-to-5 ratio required by subdivision (g).

(j) Upon proper showing by a contractor that he or she employs apprentices in a particular craft or trade in the state on all of his or her contracts on an annual average of not less than one hour of apprentice work for every five hours of labor performed by journeymen, the Administrator of Apprenticeship may grant a certificate exempting the contractor from the 1-to-5 hourly ratio, as set forth in this section for that craft or trade.

(k) An apprenticeship program has the discretion to grant to a participating contractor or contractor association a certificate, which shall be subject to the approval of the Administrator of Apprenticeship, exempting the contractor from the 1-to-5 ratio set forth in this section when it finds that any one of the following conditions is met:

(1) Unemployment for the previous three-month period in the area exceeds an average of 15 percent.

(2) The number of apprentices in training in the area exceeds a ratio of 1 to 5.

(3) There is a showing that the apprenticeable craft or trade is replacing at least one-thirtieth of its journeymen annually through apprenticeship training, either on a statewide basis or on a local basis.

(4) Assignment of an apprentice to any work performed under a public works contract would create a condition that would jeopardize his or her life or the life, safety, or property of fellow employees or the public at large, or the specific task to which the apprentice is to be assigned is of a nature that training cannot be provided by a journeyman.

(l) If an exemption is granted pursuant to subdivision (k) to an organization that represents contractors in a specific trade from the 1-to-5 ratio on a local or statewide basis, the member contractors shall not be required to submit individual applications for approval to local joint apprenticeship committees, if they are already covered by the local apprenticeship standards.

(m) (1) A contractor to whom a contract is awarded, who, in performing any of the work under the contract, employs journeymen or apprentices in any apprenticeable craft or trade shall contribute to the California Apprenticeship Council the same amount that the director determines is the prevailing amount of apprenticeship training contributions in the area of the public works site. A contractor may take as a credit for payments to the council any amounts paid by the contractor to an approved apprenticeship program that can supply apprentices to the site of the public works project. The contractor may add the amount of the contributions in computing his or her bid for the contract.

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(2) (A) At the conclusion of the 2002–03 fiscal year and each fiscal year thereafter, the California Apprenticeship Council shall distribute training contributions received by the council under this subdivision, less the expenses of the Department of Industrial Relations for administering this subdivision, by making grants to approved apprenticeship programs for the purpose of training apprentices. The grant funds shall be distributed as follows:

(i) If there is an approved multiemployer apprenticeship program serving the same craft or trade and geographic area for which the training contributions were made to the council, a grant to that program shall be made.

(ii) If there are two or more approved multiemployer apprenticeship programs serving the same craft or trade and county for which the training contributions were made to the council, the grant shall be divided among those programs based on the number of apprentices from that county registered in each program.

(iii) All training contributions not distributed under clauses (i) and (ii) shall be used to defray the future expenses of the Department of Industrial Relations for the administration and enforcement of apprenticeship and preapprenticeship standards and requirements under this code.

(B) An apprenticeship program shall only be eligible to receive grant funds pursuant to this subdivision if the apprenticeship program agrees, prior to the receipt of any grant funds, to keep adequate records that document the expenditure of grant funds and to make all records available to the Department of Industrial Relations so that the Department of Industrial Relations is able to verify that grant funds were used solely for training apprentices. For purposes of this subparagraph, adequate records include, but are not limited to, invoices, receipts, and canceled checks that account for the expenditure of grant funds. This subparagraph shall not be deemed to require an apprenticeship program to provide the Department of Industrial Relations with more documentation than is necessary to verify the appropriate expenditure of grant funds made pursuant to this subdivision.

(C) The Department of Industrial Relations shall verify that grants made pursuant to this subdivision are used solely to fund training apprentices. If an apprenticeship program is unable to demonstrate how grant funds are expended or if an apprenticeship program is found to be using grant funds for purposes other than training apprentices, then the apprenticeship program shall not be eligible to receive any future grant pursuant to this subdivision and the Department of Industrial Relations may initiate the process to rescind the registration of the apprenticeship program.

(3) All training contributions received pursuant to this subdivision shall be deposited in the Apprenticeship Training Contribution Fund, which is hereby created in the State Treasury. Upon appropriation by the Legislature, all moneys in the Apprenticeship Training Contribution Fund shall be used for the purpose of carrying out this subdivision and to pay the expenses of the Department of Industrial Relations.

(n) The body awarding the contract shall cause to be inserted in the contract stipulations to effectuate this section. The stipulations shall fix the responsibility of compliance with this section for all apprenticeable occupations with the prime contractor.

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(o) This section does not apply to contracts of general contractors or to contracts of specialty contractors not bidding for work through a general or prime contractor when the contracts of general contractors or those specialty contractors involve less than thirty thousand dollars ($30,000).

(p) An awarding body that implements an approved labor compliance program in accordance with subdivision (b) of Section 1771.5 may, with the approval of the director, assist in the enforcement of this section under the terms and conditions prescribed by the director."

(v) Section 1813:

"The contractor or subcontractor shall, as a penalty to the state or political subdivision on whose behalf the contract is made or awarded, forfeit twenty-five dollars ($25) for each worker employed in the execution of the contract by the respective contractor or subcontractor for each calendar day during which the worker is required or permitted to work more than 8 hours in any one calendar day and 40 hours in any one calendar week in violation of the provisions of this article. In awarding any contract for public work, the awarding body shall cause to be inserted in the contract a stipulation to this effect. The awarding body shall take cognizance of all violations of this article committed in the course of the execution of the contract, and shall report them to the Division of Labor Standards Enforcement."

(vi) Section 1815:

"Notwithstanding the provisions of Sections 1810 to 1814, inclusive, of this code, and notwithstanding any stipulation inserted in any contract pursuant to the requirements of said sections, work performed by employees of contractors in excess of 8 hours per day, and 40 hours during any one week, shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than 1 ½ times the basic rate of pay."

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SPONSOR'S CERTIFICATION NO. 2

RELATED PARTY & RELATED PARTY TRANSACTION DISCLOSURE

I, {{ las_name_pfa }}, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. The Sponsor certifies that it has disclosed to AHP and/or the State the composition of the Sponsor including any entity, member, manager, partner, or person that directly or indirectly owns or controls, is owned or controlled by, or is under common ownership or common control with the Sponsor ("**Related Party**" or "**Related Parties**").

4. The Sponsor certifies that it shall disclose to AHP and/or the State, promptly, any change in ownership or control of the Sponsor or any merger or acquisition that changes the control of the Sponsor. For purposes of this Agreement, "ownership" shall mean any entity, member, manager, partner, or person that has an ownership interest of greater than ten percent (10%) in the Sponsor, and "control" shall mean possession of the authority to direct or cause the direction of the affairs or management of the Sponsor.

5. The Sponsor certifies that it has disclosed to AHP and/or the State all existing or new, actual or potential transactions, agreements, or settlements with any Related Party in connection with the Project ("**Related Party Transaction**") at the time of application and execution of this Agreement, and shall promptly disclose to AHP and/or the State any new, actual, or potential Related Party Transaction created thereafter.

6. The Sponsor certifies that it shall disclose to AHP and/or the State: (1) the nature of the relationship, (2) the nature of the potential or actual transaction, agreement, or settlement, (3) the dollar amounts of any such transaction, agreement, or settlement, (4) the dollar amounts due to or from any Related Party, and (5) documents and any additional information, as may be required by AHP and/or the State in their sole discretion.

SIGNATURE ON THE FOLLOWING PAGE

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I certify that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 2, Related Party & Related Party Transaction Disclosure, as a condition of receiving the Program Funds.

_____
Authorized Signature

{{ las_name_pfa }}
Typed Name of Signatory

{{ las_title_pfa }}
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 3

EXECUTION OF PROGRAM FUNDING AGREEMENT

I, {{ las_name_pfa }}, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California (the "**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. The Sponsor certifies that it has executed a contract with AHP entitled "**Program Funding Agreement**" and that it has provided a true and correct copy of such executed AHP-Sponsor Program Funding Agreement, including all attachments, to AHP.

I certify that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 3, Execution of Program Funding Agreement, as a condition of receiving the Program Funds.

_____
Authorized Signature

{{ las_name_pfa }}
Typed Name of Signatory

{{ las_title_pfa }}
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 4

MATCH FUNDS, PROPERTY EQUITY, OR IN-KIND MATCH

I, {{ las_name_pfa }}, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing the Program Funds.

3. The Sponsor certifies that, if, and as required by the terms of the Program, the Sponsor is required to provide a match for the Program Funds, and the Sponsor's match is in the form of cash, the Sponsor has provided to AHP, as required by the terms of the Program Funding Agreement, evidence in the form of account statements or other auditable financial record to the amount of {{ match_amt_curated_written }} ({{ match_amt_curated }}) ("**Match Funds**").

4. The Sponsor certifies that, if, and as required by the terms of the Program, the Sponsor is required to provide a match for the Program Funds, and the Sponsor's match is in the form of equity in real property upon which the Project is to be constructed, located at {{ proposed_address }}, {{ proj_city }}, {{ proj_state }} {{ proj_zip }} (the "**Project Property**"), the Sponsor has provided to AHP (i) the assessed value of the Project Property on the property tax assessment rolls or a written appraisal report setting forth an opinion of fair market value prepared by a certified general appraiser licensed in the State of California, and (ii) all current loan statements reflecting any outstanding loan balances secured by the Project Property, or a statement of outstanding bond debt.

5. The Sponsor certifies that, if, and as required by the terms of the Program, the Sponsor is required to provide an in-kind match for the Program Funds, and the Sponsor's match is in the form of the amount of any reasonable, actual, and documented, as determined by DHCS in their sole discretion, Project specific fees and expenses incurred by the Sponsor directly for the improvement of the Project Property no more than one (1) year prior to [_____], 2026, the date of the Notice of Conditional Award ("**Sunk Costs**"), such expenditures incurred were in the amount of not less than {{ sunk_costs_written }}({{ sunk_costs }}), as evidenced by Project specific documents, including, but not limited to, invoices with attached proof of payment for work completed, materials purchased, professional, design-build, or other services rendered and paid for by the Sponsor in connection with the Project.

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6. The Sponsor further certifies that its match for the Program Funds, as required by the terms of the Program, is in the form of [cash, equity in real property, or Sunk Costs] described as follows: [Detailed description].

7. At AHP's request, the Sponsor agrees to submit to AHP, promptly, documentation that verifies the Sponsor's statements contained in Sections 3, 4, 5, or 6 of this Certification, prior to disbursement of any Program Funds, including, but not limited to, bank account statements or other auditable financial record and title documents.

I certify under penalty of perjury that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 4, Match Funds, Property Equity, or In-Kind Match, as a condition of receiving the Program Funds.

_____
Authorized Signature

{{ las_name_pfa }}
Typed Name of Signatory

{{ las_title_pfa }}
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 5

DECLARATION OF RESTRICTIONS

I, _____, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. The Sponsor certifies that the Project is subject to a Regulatory Agreement and Declaration of Restrictions, substantially in the form attached to the Program Funding Agreement as **Attachment H** (the "**Declaration of Restrictions**"), which has been recorded in the official records in the county in which the Project is located, and which, in addition to other matters, restricts the use of the Project. The Sponsor further certifies that it shall provide to AHP, concurrently with this Certification, a copy of such recorded Declaration of Restrictions, which shall evidence recordation in the official records in the county in which the Project is located.

I certify under penalty of perjury that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 5, Declaration of Restrictions, as a condition of receiving the Program Funds.

_____
Authorized Signature

_____
Typed Name of Signatory

_____
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 6

LEGAL REVIEW OF CA WELFARE AND INSTITUTIONS CODE §5960.31

I, _____, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. The Sponsor certifies that it has had the opportunity to seek advice from legal counsel as to its rights and responsibilities regarding California Welfare and Institutions Code section 5960.31, set forth below:

> **(a) Notwithstanding any other law, projects funded pursuant to paragraph (3) or (4) of subdivision (b) of Section 5965.04 shall be a use by right and shall be subject to the streamlined, ministerial review process and filing requirement, pursuant to subdivisions (b) and (d) of Section 50675.1.5 of the Health and Safety Code, and not subject to a conditional use permit, discretionary permit, or to any other discretionary reviews or approvals, if it meets the criteria of paragraph (1) or (2) and complies with subdivisions (b) and (c).**
>
> **(1) The project is a behavioral health treatment and residential setting, including, but not limited to, children's residential crisis programs, peer respite, children's and adult substance use disorder residential programs, recovery housing, short-term residential therapeutic program, and social rehabilitation program, and shall be located in a zone where residential, office, retail, or parking are a principally permitted use.**
>
> **(2) (A) The project is a real estate asset, as described in Section 5960.05, except for those described in paragraph (1), or in subparagraph (A) of paragraph (1) of subdivision (a) of Section 5831, that is funded pursuant to Section 5967.01, and shall be located in a zone where office, retail, or parking are a principally permitted use.**
>
> **(B) This paragraph shall not be construed to limit the discretion of local jurisdictions to permit real estate assets in a zone not expressly provided in this paragraph.**

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(b) Projects, as applicable, pursuant to this section shall comply with the core components of Housing First, as defined under subdivision (b) of Section 8255, and may include recovery housing, as defined by the United States Department of Housing and Urban Development.

(c) Projects pursuant to this section shall meet the labor standards contained in Sections 65912.130 and 65912.131 of the Government Code.

(d) For purposes of this section, "use by right" means a development project that satisfies both of the following conditions:

(1) The development project does not require a conditional use permit, planned unit development permit, or other discretionary local government review.

(2) The development project is not a "project" for purposes of Division 13 (commencing with Section 21000) of the Public Resources Code.

I certify under penalty of perjury that the above information is true and correct and that the Sponsor has read and understands the terms of this certification and shall comply with all requirements set forth above, in Sponsor's Certification No. 6, Legal Review of CA Welfare and Institutions Code §5960.31, as a condition of receiving the Program Funds.

_____
Authorized Signature

_____
Typed Name of Signatory

_____
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 7

PLANNING AGENCY REVIEW

I, _____, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. The Sponsor certifies that, if constructing a new facility or expanding an existing facility, it shall provide to AHP contemporaneously with this Certification a one-to-two-page narrative report summarizing the results of any preliminary planning meeting with the planning department, or equivalent, in the jurisdiction where the Project is located, including any written documentation and comments received.

I certify under penalty of perjury that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 7, Planning Agency Review, as a condition of receiving the Program Funds.

_____
Authorized Signature

_____
Typed Name of Signatory

_____
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 8

DUE DILIGENCE COMPLETED

I, _____, as an authorized representative of {{ **legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. In the event that the Project involves the acquisition of real property with Program Funds, the Sponsor certifies that it has obtained a Certified Appraisal Report, setting forth an opinion of fair market value of the real property upon which the Project is to be constructed or operated, prepared by a certified appraiser licensed in the State of California, in a form acceptable to AHP; and the Sponsor has provided copies of the Certified Appraisal Report to AHP.

4. The Sponsor certifies that it has obtained a Phase I environmental site assessment of the Project in conformance with ASTM Standard Practice E-1527 and, if necessary, a Phase II environmental site assessment and that the Sponsor has or shall comply with all recommendations in those assessments as part of the Project. The Sponsor shall provide AHP with copies of all environmental reports and, to the extent applicable, evidence of completion of any recommended environmental remediation.

5. In the event that the Project involves rehabilitation or renovation of an existing structure, the Sponsor certifies that it has obtained an asbestos assessment and lead-based paint report for the Project and has complied or shall comply with all abatement requirements identified therein. The Sponsor certifies that it has provided AHP with copies of all asbestos and lead-based paint reports and, to the extent applicable, evidence of completion of any recommended asbestos or lead-based paint abatement.

6. The Sponsor certifies that it has complied with all applicable federal, state, and local relocation requirements related to the Project, including under the California Relocation Assistance Law (California Government Code section 7260 et seq.); and that the Sponsor has complied with all applicable state laws and corresponding regulations for the safe transfer and relocation of residents in residential care facilities licensed by the State and agrees to obtain a State-approved relocation plan for each resident in care.

7. The Sponsor's above certifications are solely for the purpose of confirming that the Sponsor has properly discharged their obligations under the Program Funding Agreement, and AHP's

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receipt of these certifications should not be relied upon by the Sponsor or any third parties as a warranty or representation by AHP or DHCS as to the quality of the design or construction of the Project.

8. The Sponsor agrees that it is solely responsible and liable for compliance with requirements and recommendations pertaining to asbestos, lead, environmental assessment, local planning, and relocation requirements for the Project and shall indemnify AHP and the State consistent with the terms of the Sponsor's Agreement with AHP and the State.

I certify under penalty of perjury that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 8, Due Diligence Completed, as a condition of receiving the Program Funds.

_____
Authorized Signature

_____
Typed Name of Signatory

_____
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 9

DESIGN DEVELOPMENT DRAWINGS 100% COMPLETE
(to be completed by the Sponsor's Architect)

I, _____, as an authorized representative of _____, (the "**Architect**"), on behalf of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Architect, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with the Sponsor's application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. I am the lead architect on behalf of the Sponsor for the Project, duly licensed to practice architecture in the State of California pursuant to Chapter 3 of Division 3 of the Business and Professions Code, and have been hired by the Sponsor to provide architectural services for the Project.

4. I hereby certify that design development drawings, including architectural and mechanical, electrical, and plumbing (MEP) drawings for the Project, are one hundred percent (100%) complete.

5. I hereby certify that the Sponsor is ready to commence preparation of construction drawings for the purpose of submittal to the building department, or equivalent, in the jurisdiction where the Project is located.

I certify under penalty of perjury that the above information is true and correct in Sponsor's Certification No. 9, Design Development Drawings 100% Complete, as a condition of the Sponsor receiving the Program Funds.

_____
Authorized Signature
(Licensed Architect on plan set)

_____
Typed Name of Signatory

_____
Title of Signatory *(Licensed Architect on plan set)*

_____
Date

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SPONSOR'S AND ARCHITECT'S CERTIFICATION NO. 10

CONSTRUCTION DRAWINGS FOR FIRST SUBMITTAL TO BUILDING DEPARTMENT

(to be completed by the Sponsor and the Sponsor's Architect)

I, _____, as an authorized representative of {{ **legal_entity_name** }}, {{ **typ_of_legal_entity** }} (the "**Sponsor**"), and I, _____, as an authorized representative of _____ (the "**Architect**"), each, hereby certify that:

1. The Sponsor and Architect each certify that they possess the legal authority to submit this certification on behalf of the Sponsor and the Architect, respectively, and the information and statements set forth below are, to the best of their knowledge and belief, true and correct.

2. The Sponsor and Architect each certify that they are providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. The Sponsor certifies that it has obtained updated estimates of all applicable fees and charges due to the local jurisdiction with permitting authority over the Project, including, but not limited to, fees for plan checks, building permits, schools, special assessments, impact fees, and fire permits, among others, as may be applicable to the Project, depending on the jurisdiction, and the Sponsor has sent copies of all such fee estimates to AHP.

4. The Sponsor and Architect each certify that they have construction drawings for the Project that are ready for first submittal to the building department, or its equivalent, in the jurisdiction where the Project is located. The Sponsor shall provide AHP with copies of all such drawings upon request.

5. The Sponsor certifies that it is prepared to submit complete applications and pay required fees to the applicable government authorities for building permits and approvals necessary to construct the Project.

6. The Sponsor and Architect shall attest by their signatures below that the construction drawings for the Project are ready for first submittal to the building department, or its equivalent, in the jurisdiction where the Project is located, within thirty (30) days of the date of execution of this Certification No. 10.

SIGNATURES ON THE FOLLOWING PAGE

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I certify under penalty of perjury that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's and Architect's Certification No. 10, Construction Drawings for First Submittal to Building Department, as a condition of receiving the Program Funds.

_____
Authorized Signature

_____
Typed Name of Signatory

_____
Title of Signatory

_____
Date

_____
Authorized Signature
(Licensed Architect on plan set)

_____
Typed Name of Signatory

_____
Title of Signatory
(Licensed Architect on plan set)

_____
Date

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SPONSOR'S CERTIFICATION NO. 11

CONSTRUCTION CONTRACT WITH CONSTRUCTION CONTRACT ADDENDUM

I, _____, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. The Sponsor certifies that it has negotiated and attached to this Certification a construction contract for the Project as mutually agreed upon by the Sponsor and the general contractor ("**Construction Contract**") which includes a total cost of construction that does not exceed the amount set forth in the application for Program Funds for construction costs of the Project, unless otherwise approved by AHP or the State, in their sole discretion.

4. The Sponsor further certifies that the Construction Contract includes an attachment thereto, in the form attached to the Program Funding Agreement as **Attachment I** (the "**Construction Contract Addendum**"), which shall contain certain required additional details, conditions, or terms to be agreed upon by and between the Sponsor and the general contractor.

5. Upon full execution of the Construction Contract or any amendment thereof, the Sponsor promptly shall provide AHP a copy of the fully executed Construction Contract, with the Construction Contract Addendum attached thereto and incorporated by reference.

6. The Sponsor certifies that the Construction Contract Addendum, as incorporated into the Construction Contract, shall not be amended or modified in any manner, at any time, without prior approval by AHP or the State, in their sole discretion.

7. The Sponsor certifies that the final Construction Contract for the full course of construction of the Project is based on the fully permitted set of construction drawings, which constitute the full scope of the construction for the Project.

8. The Sponsor certifies that the General Contractor is registered with the California Department of Industrial Relations ("**DIR**") as required by California Labor Code section 1725.5. The Sponsor further certifies that the Construction Contract and any subcontracts entered into by the general contractor shall require the general contractor and all subcontractors to comply with California

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Labor Code section 1720 et seq. for all work performed for the Project, including, but not limited to, the payment of prevailing wages for all work performed on the Project.

I certify under penalty of perjury that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 11, Construction Contract with Construction Contract Addendum, as a condition of receiving the Program Funds.

_____
Authorized Signature

_____
Typed Name of Signatory

_____
Title of Signatory

_____
Date

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GENERAL CONTRACTOR'S CERTIFICATION NO. 12

PREVAILING WAGE COMPLIANCE
(to be completed by the **Sponsor's General Contractor)**

I, _____, as an authorized representative of **[insert name of General Contractor]** ("**General Contractor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the General Contractor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") submitted by **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), and the Sponsor are relying on this information in awarding and disbursing Program Funds to the Sponsor.

3. General Contractor certifies that all construction work performed on the Project shall comply with California Labor Code section 1720 et seq. and require the payment of prevailing wages.

4. General Contractor certifies that the Sponsor has provided General Contractor with copies of California Labor Code sections 1771, 1775, 1776, 1777.5, 1813, and 1815; that the construction contract includes those California Labor Code provisions; and that such California Labor Code provisions shall be included in all subcontracts entered into by General Contractor for the Project.

5. General Contractor agrees to periodically review its subcontractors' payroll records to monitor compliance with California prevailing wage requirements and to take diligent action if General Contractor discovers any failure by a subcontractor to pay prevailing wages and to otherwise comply with the requirements of the California Labor Code.

6. General Contractor shall not release final payment to any subcontractors for work performed on the Project until General Contractor has obtained an affidavit signed under penalty of perjury from the subcontractor that the subcontractor has paid the specified general prevailing wage for all work performed on the Project as well as any other amounts due under the California Labor Code.

7. General Contractor agrees to keep accurate payroll records in compliance with California Labor Code section 1776 and shall require all of its subcontractors to keep such records and to make such records available to the California Department of Industrial Relations ("**DIR**") in accordance with California Labor Code section 1771.4(a)(3).

8. General Contractor agrees to comply with any and all other requirements of the California Labor Code related to prevailing wages, all California wage and hours laws, and any applicable federal labor and wage and hours requirements for the duration of the Project.

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9. General Contractor acknowledges that neither the State nor AHP shall be liable for any penalties or damages resulting from General Contractor's failure to comply with all requirements related to public works projects applicable to the Project.

I certify that the above information is true and correct and that General Contractor shall comply with all requirements set forth above, in General Contractor's Certification No. 12, Prevailing Wage Compliance, as a condition of the Sponsor receiving the Program Funds.

_____
Authorized Signature
(General Contractor)

_____
Typed Name of Signatory
(General Contractor)

_____
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 13

UTILITY SERVICE COMMITMENTS, BUILDING PERMIT RECEIPT AND NOTICE OF EXEMPTION FILED

I, _____, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. The Sponsor certifies that it has obtained and provided to AHP copies of any written utility service commitments (commonly referred to as "will serve letters"), as may be required by the local jurisdiction with permitting authority over the Project.

4. The Sponsor certifies that it has obtained and provided to AHP copies of the building permits required to commence construction on the Project issued by the local jurisdiction with permitting authority over the Project. The building permits approve a total building area for the Project of **[insert number in words (Number) and delete this note]** square feet.

5. The Sponsor certifies that, upon receipt of the building permits from the jurisdiction where the Project is located, a Notice of Exemption for the Project has been filed with the county clerk of each county in which the Project is located pursuant to the California Environmental Quality Act ("**CEQA**") Guidelines section 15062.

6. The Sponsor further certifies that it has provided to DHCS a copy of the Notice of Exemption for the Project filed with the county clerk of each county in which the Project is located pursuant to the CEQA Guidelines section 15062.

SIGNATURE ON THE FOLLOWING PAGE

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I certify under penalty of perjury that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 13, Building Permit Receipt and Notice of Exemption Filed, as a condition of receiving the Program Funds.

_____
Authorized Signature

_____
Typed Name of Signatory

_____
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 14

REQUIRED INSURANCE AND NOTICE TO PROCEED

I, _____, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. The Sponsor certifies that it has acquired all general liability and any applicable builder's risk and property insurance pursuant to the requirements of Article 11 of the Program Funding Agreement.

4. The Sponsor certifies that it has provided to AHP copies of its certificates of insurance in accordance with the requirements of Article 11 of the Program Funding Agreement.

5. The Sponsor certifies that it has provided to AHP an updated budget and schedule for the Project prior to the Sponsor's issuance of a notice to proceed to its general contractor.

6. The Sponsor certifies that on or about _____, 202__, **[insert date and delete this note]** a notice to proceed was issued to its general contractor to commence construction on the Project.

SIGNATURE ON THE FOLLOWING PAGE

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I certify that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 14, Required Insurance and Notice to Proceed, as a condition of receiving the Program Funds.

_____
Authorized Signature

_____
Typed Name of Signatory

_____
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 15

PROJECT CONSTRUCTION IS 50% COMPLETE

I, _____, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. The Sponsor certifies that on or about _____, **[insert date and delete this note]** Project construction is fifty percent (50%) complete; and further certifies that it has provided to AHP an updated budget and schedule for the completion of the Project.

4. The Sponsor further certifies that it has the additional funds or funding necessary to complete the Project in the event that the remaining Program Funds are insufficient to satisfy the remaining fifty percent (50%) of construction costs.

I certify that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 15, Project Construction Is 50% Complete, as a condition of receiving the Program Funds.

_____
Authorized Signature

_____
Typed Name of Signatory

_____
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 16

RECEIPT OF CERTIFICATE OF OCCUPANCY

I, _____, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. The Sponsor certifies that the Project has received its Certificate of Occupancy or equivalent from the jurisdiction where the Project is located.

4. The Sponsor further certifies that it has provided to AHP a copy of the Certificate of Occupancy.

I certify that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 16, Receipt of Certificate of Occupancy, as a condition of receiving the Program Funds.

_____
Authorized Signature

_____
Typed Name of Signatory

_____
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 17

NOTICE OF COMPLETION AND RECEIPT OF CONDITIONAL/UNCONDITIONAL FINAL RELEASES OF LIENS

I, _____, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. The Sponsor certifies that, pursuant to California Civil Code section 8182 et seq., it has recorded with the county clerk in the jurisdiction where the Property is located a Notice of Completion; and that the Sponsor has provided to AHP a copy of the Notice of Completion.

4. The Sponsor certifies that it has obtained from its general contractor conditional/unconditional final releases of all liens for all labor or services provided, or equipment and material delivered, to or on behalf of the Sponsor, for construction or rehabilitation at the Project.

5. The Sponsor further certifies that it has provided to AHP copies of all conditional/unconditional final releases of all liens, which the Sponsor received from its general contractor, and that the Sponsor shall provide to AHP any additional release of lien documentation or information, as may be required by AHP and/or the State in their sole discretion.

SIGNATURE ON THE FOLLOWING PAGE

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I certify that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 17, Notice of Completion and Receipt of Conditional/Unconditional Final Releases of Liens, as a condition of receiving the Program Funds.

_____
Authorized Signature

_____
Typed Name of Signatory

_____
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 18

RECEIPT OF BUSINESS LICENSE AND OPERATIONAL

I, _____, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. The Sponsor certifies that the Sponsor and the Project, each, as may be required, individually and collectively, has received, renewed, or maintained all licenses, designations, and certifications, including a business license, as may be required, by the jurisdiction where the Project is located and by the State, to operate the Project pursuant to the requirements of the Program Funding Agreement.

I certify that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 18, Receipt of Business License and Operational, as a condition of receiving the Program Funds.

_____
Authorized Signature

_____
Typed Name of Signatory

_____
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 19

EXECUTION OF A FACILITY ACCESS AGREEMENT WITH STATE OF CALIFORNIA, DEPARTMENT OF HEALTH CARE SERVICES

I, {{ las_name_pfa }}, as an authorized representative of **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program for the {{ proj_name }} ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**"), are relying on this information in awarding and disbursing Program Funds.

3. The Sponsor certifies that it has executed a contract with the State Department of Health Care Services ("**DHCS**") entitled Facility Access Agreement ("**Facility Access Agreement**").

4. The Sponsor certifies that it has provided a true and correct copy of the executed Facility Access Agreement, including all attachments, to AHP.

I certify that the above information is true and correct and that the Sponsor shall comply with all requirements set forth above, in Sponsor's Facility Certification No. 19, Execution of a Facility Access Agreement with State of California, Department of Health Care Services, as a condition of receiving the Program Funds.

_____
Authorized Signature

{{ las_name_pfa }}
Typed Name of Signatory

{{ las_title_pfa }}
Title of Signatory

_____
Date

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SPONSOR'S CERTIFICATION NO. 20

PROJECT CLOSE-OUT, RETENTION FUNDS, EXCESS FUNDS, AND CONTINUED COMPLIANCE

I, _____, as an authorized representative of **[insert Sponsor name]** (the "**Sponsor**"), hereby certify that:

1. I possess the legal authority to submit this certification on behalf of the Sponsor and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California ("**State**") pursuant to the Behavioral Health Continuum Infrastructure Program ("**BHCIP**") for the _____ ("**Project**") and acknowledge that the State and its contract manager, Advocates for Human Potential, Inc. ("**AHP**") are relying on this information in connection with the management of BHCIP and Program Funds.

3. The Sponsor certifies that it received an award of Program Funds pursuant to that certain Notice of Conditional Award Letter issued by DHCS to the Sponsor, attached as **Attachment K** to that certain Program Funding Agreement dated _____ (the "**Program Funding Agreement**") by and between AHP and the Sponsor.

4. The Sponsor certifies that AHP has released and the Sponsor has received Retention Funds pursuant to Section 4.3.7.1 of the Program Funding Agreement.

5. The Sponsor certifies that the Project is complete, operational, and serving patients/persons in compliance with all applicable state, federal, and local health and safety laws and ordinances.

6. The Sponsor certifies that it will not request, declines to use, and releases a portion of its awarded Program Funds in the amount of _____ Dollars ($_____) ("**Excess Funds**"). The Sponsor further certifies that the Excess Funds are not required for Project completion or reimbursement for its Project expenses.

7. The Sponsor acknowledges that pursuant to Article 2 of the Program Funding Agreement, the terms of the Program Funding Agreement are in full force and effect.

8. The Sponsor further certifies that it has satisfied all applicable requirements of the Program Funding Agreement, is not in default, and shall continue to comply with the requirements of the Program Funding Agreement, the Facility Access Agreement, and the Declaration of Restrictions, each as defined in the Program Funding Agreement.

I certify under penalty of perjury that the above information is true and correct and that Sponsor shall comply with all requirements set forth above, in Sponsor's Certification No. 20, Project Close-Out, Retention Funds, Excess Funds, and Continued Compliance.

SIGNATURES ON THE FOLLOWING PAGE

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_____
Authorized Signature

_____
Typed Name of Signatory

_____
Title of Signatory

_____
Date

ACKNOWLEDGED:

DHCS:

DEPARTMENT OF HEALTH CARE SERVICES,
a public agency of the State of California

By: _____
Laurice Artap, Section Chief
Community Services Division / Behavioral Health Continuum
Infrastructure Program Section

Date: _____

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ATTACHMENT G

PERFORMANCE MILESTONES

BOND BHCIP Round 2: Unmet Needs

ATTACHMENT G - PERFORMANCE MILESTONES

These Performance Milestones are the basis for your Project's Payment Schedule so that in all events, all Program Funds must be obligated and expended by June 30, 2031.

ESTIMATED MILESTONES

Preconstruction/Acquisition, Construction, Move-in

PHASE	MILESTONE	Milestone Certification or Documents	COMPLETION DATE: Not To Exceed
E.1 Minimum Requirements	BUDGET PREVAILING WAGE COMPLIANCE	Certification # 1	Project specific, N/A
	RELATED PARTY AND RELATED PARTY TRANSACTION DISCLOSURE	Certification # 2	
	EXECUTION OF PROGRAM FUNDING AGREEMENT	Certification # 3	
	RECORDED DECLARATION OF RESTRICTIONS	Certification # 5	
	LEGAL REVIEW OF CA WELFARE AND INSTITUTIONS CODE §5960.31	Certification # 6	
	EXECUTION OF A FACILITY ACCESS AGREEMENT WITH STATE OF CALIFORNIA, DEPARTMENT OF HEALTH CARE SERVICES	Certification #19	
E.2 Match Minimum Requirements	MATCH FUNDS, PROPERTY EQUITY, OR IN-KIND MATCH	Certification # 4	
E.3 Acquisition	CLOSE OF ESCROW/RECORDED DECLARATION OF RESTRICTIONS & PERFORMANCE DEED OF TRUST	Recorded Deed	
	PLANNING AGENCY REVIEW	Certification # 7	
	DUE DILIGENCE COMPLETED FOR ACQUISTION	Certification # 8	
E.4 Preconstruction (Planning and Permitting)	PLANNING AGENCY REVIEW, **if not previously provided**	Certification # 7	
	DUE DILIGENCE COMPLETED, **if not previously provided**	Certification # 8	
	DESIGN DEVELOPMENT DRAWINGS 100% COMPLETE	Certification # 9	
	CONSTRUCTION DRAWINGS FOR FIRST SUBMITTAL TO BUILDING	Certification # 10	
E.5 Start of Construction (Notice to Proceed and Executed Construction Contract)	CONSTRUCTION CONTRACT WITH CONSTRUCTION CONTRACT RI	Certification # 11	
	PREVAILING WAGE COMPLIANCE (GC)	Certification # 12	
	UTILITY SERVICE COMMITMENTS, BUILDING PERMIT RECEIPT, AND NOTICE OF EXEMPTION FILED	Certification # 13	
	REQUIRED INSURANCE AND NOTICE TO PROCEED	Certification # 14	6/30/2031
E.6 Project Construction 50% Complete	PROJECT CONSTRUCTION IS 50% COMPLETE	Certification # 15	
E.7 Construction Complete, Licensing, and Operation	RECEIPT OF CERTIFICATE OF OCCUPANCY	Certification # 16	
	NOTICE OF COMPLETION AND RECEIPT OF UNCONDITIONAL FINAL RELEASES OF LIENS	Certification # 17	
	RECEIPT OF BUSINESS LICENSE AND OPERATIONAL	Certification # 18	Project specific, N/A
	PROJECT CLOSE-OUT, RETENTION FUNDS, EXCESS FUNDS, AND CONTINUED COMPLIANCE	Certification # 20	6/30/2031
	ANTICIPATED EXPIRATION DATE OF THE AGREEMENT & TRANSFER TO STATE OVERSIGHT		

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RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Advocates for Human Potential, Inc.
490-B Boston Post Road
Sudbury, MA 01776-3365

Attention: Legal Department

NO FEE FOR RECORDING PURSUANT TO
GOVERNMENT CODE SECTION 27383

SPACE ABOVE THIS LINE FOR RECORDER'S USE

ATTACHMENT H

**REGULATORY AGREEMENT AND
DECLARATION OF RESTRICTIONS**

This Regulatory Agreement and Declaration of Restrictions (the "**Declaration**"), dated _____ for reference purposes, is by and between **{{ legal_entity_name }}, {{ typ_of_legal_entity }}** (the "**Owner**") and the State of California (the "**State**"), represented by the **DEPARTMENT OF HEALTH CARE SERVICES**, a public agency of the State of California ("**DHCS**").

RECITALS

A. DHCS oversees the Behavioral Health Continuum Infrastructure Program ("**BHCIP**" or "**Program**"), which was established by California Assembly Bill No. 133 (Chapter 143, Statutes of 2021), and which is governed by California Welfare and Institutions Code sections 5960-5960.4, as amended by the State Behavioral Health Infrastructure Bond Act of 2024 (section 4, Chapter 4 of California Assembly Bill 531 ("**AB 531**")) which provided, in part, for the: (a) addition of section 5965.04 to the California Welfare and Institutions Code allocating additional funding to the Program; and (b) repealed section 5960.45 from the California Welfare and Institutions Code.

B. Under BHCIP, DHCS awards State Behavioral Health Infrastructure Bond Act of 2024 funds ("**Bond BHCIP Funds**") to qualified entities, through competitive grants, to construct, acquire, and rehabilitate real estate assets to build new capacity or expand existing capacity for facilities that will operate for a minimum of thirty (30) years to provide short-term crisis stabilization, acute and subacute care, crisis residential, community-based mental health residential, substance use disorder residential, peer respite, community and outpatient behavioral health services, and other clinically enriched longer term treatment and rehabilitation options for persons with behavioral health disorders in the least restrictive and least costly settings;

C. On May 30, 2025, DHCS issued a Request for Applications ("**RFA**") for Bond BHCIP Funds and selected Owner's Project (as defined below) as a recipient of Bond BHCIP Funds. Advocates for Human Potential, Inc., a Massachusetts corporation ("**AHP**"), acting as the initial program administrator for the initial five (5) year building phase of BHCIP, entered into a Program Funding Agreement with an Effective Date of _____ (the "**Program**

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Funding Agreement"), with Owner for the distribution of Bond BHCIP Funds in an amount not to exceed {{ amt_awarded_written }} ({{ grant_amt_requested_curated }}) (the "**Program Funds**") over the above-mentioned five (5) year building phase for Owner to acquire, expand, or construct certain improvements more particularly described in the RFA ("**Owner's Project**") on that certain real property commonly known as {{ proposed_address }}, located in the City of {{ proj_city }} ("**City**"), County of {{ county }} ("**County**"), State of California, and the improvements thereon (the "**Property**"), as more particularly described and shown on **Exhibit A**, attached hereto and incorporated herein by this reference;

D. As an award recipient, in consideration for the Program Funds, and in order to comply with the policies, programs, and applicable legislation, including the RFA, the Program Funding Agreement, the Facility Access Agreement between DHCS and the Owner, and BHCIP, the Property and the owner thereof are subject to certain requirements and restrictions, including, without limitation, the obligation to ensure that the Property shall be used for {{ fac_category_type_residential_outpatient | lower }} (the "**Permitted Use**") for the Restriction Period (defined below), subject to change or modification to another use set forth in **Exhibit B**, attached hereto, and incorporated herein by this reference, with DHCS approval, which must accept and provide services to Medi-Cal beneficiaries as patients;

E. The Property shall be owned, held, used, maintained, and transferred pursuant to the covenants, conditions, restrictions, and limitations as further described herein; and

F. Owner and DHCS have agreed to enter into this Declaration to memorialize some of the aforementioned requirements and restrictions in the public record that will survive the expiration of the Program Funding Agreement to ensure compliance with the same.

NOW, THEREFORE, in consideration of the Program Funds paid to the Owner under the Program Funding Agreement and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Owner hereby enters into this Declaration and hereby covenants, agrees, and declares the following:

AGREEMENT

1. Use of Property. Owner, for itself and for its successors and assigns, hereby declares and covenants that, for the Restriction Period, the use of the Property, or in the event only a portion thereof has been improved with the use of Program Funds, then only that portion that has been so improved shall be restricted to the Permitted Use. Any change to another use described in Exhibit B, attached hereto and incorporated herein by this reference, shall require the express prior written approval of DHCS in its sole and absolute discretion, which modification and consent may be recorded in the official records of the County.

2. Use, Maintenance, Repair, and Improvement of the Property. Owner agrees:

2.1 To use the Property, or that portion of the Property constructed or improved with Program Funds, continuously for the Permitted Use;

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2.2 To maintain the Property in conformity with the habitability and fire codes of the City or County where the Property is located in decent, safe, and sanitary condition and repair, and to permit no waste thereof;

2.3 Not to commit or suffer to be done or exist on or about the Property any condition causing the Property to become less valuable, except in accordance with this Declaration;

2.4 Not to apply for any permits or construct any buildings or improvements on the Property, other than the permits, buildings, and improvements contemplated as part of this Declaration, that would detrimentally affect the Property, including, without limitation, the value of the Property, the structural integrity of the Property, or the contemplated uses of the Property set forth in Exhibit B; or add to, remove, demolish, or structurally alter any buildings or improvements included as part of the Property purchased or improved with Program Funds, without DHCS's consent;

2.5 To comply with all applicable laws affecting the Property, including, but not limited to, Behavioral Health Continuum Infrastructure Program, authorized by California Welfare and Institutions Code sections 5960-5960.4, and not to suffer or permit any violations of any such applicable law, nor of any covenant, condition, or restriction affecting the Property. To the extent an amendment to the foregoing imposes requirements upon the ownership or operation of the Project more restrictive than those imposed by this Declaration, this Declaration shall be deemed automatically amended, without consent or approval of any other person, to impose such additional or more restrictive requirements; however, Owner hereby agrees to execute such amendment upon request by DHCS;

2.6 To construct and maintain the deliverables developed and produced pursuant to the Program Funding Agreement in compliance with the accessibility requirements of sections 7405 and 11135 of the California Government Code, section 508 of the Rehabilitation Act of 1973 as amended (29 U.S.C. § 794d), regulations implementing the Rehabilitation Act of 1973 as set forth in Part 1194 of Title 36 of the Code of Federal Regulations, and the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101 et seq.);

2.7 Not to initiate or acquiesce in any change in any zoning or other land use or legal classification which affects any of the Property without DHCS's prior written consent, which may be granted or withheld at DHCS's sole discretion;

2.8 Not to alter the use of all or any part of the Property constructed or improved with Program Funds without DHCS's prior written consent;

2.9 To maintain all licenses, certifications, or designations required to continue operating for the use specified in the Program Funding Agreement, or other use approved in writing by DHCS;

2.10 To pay to DHCS its then-current fees in connection with any consent, approval, transfer, amendment, or waiver requested by Owner, together with any expenses incurred by DHCS in connection therewith;

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2.11 To submit to DHCS such periodic reports, updates, and information deemed necessary by DHCS to monitor compliance and/or perform program evaluation. Any requested data or information shall be submitted in electronic format in a manner specified by DHCS;

2.12 To pay all taxes, assessments, and other charges, liens, fines, and impositions attributable to or encumbering the Property, by making payment, prior to delinquency, directly to the payee thereof. Owner shall, upon request by DHCS or its agent, promptly furnish to DHCS or its agent all notices of amounts due under this subsection and receipts evidencing such payments. Owner shall have the right to contest in good faith any claim or lien, or payment due thereunder, so long as Owner does so diligently, without prejudice to DHCS, and provided that Owner has established on Owner's books adequate reserves with respect to such contested assessment, tax, charge, lien, or claim; and

2.13 To defend (with counsel satisfactory to DHCS, in DHCS's sole discretion), indemnify, and hold harmless DHCS and its respective officers, members, supervisors, directors, officials, and employees, counsel, attorneys, and agents, past, present, and future of each of them (collectively, the "**Indemnified Parties**") against all loss, costs, damages, expenses, suits, judgments, actions, and liabilities of whatever nature (including, without limitation, reasonable attorneys' fees, litigation and court costs, and amounts paid in settlement) directly or indirectly resulting from or arising out of or related to (a) the operation, use, occupancy, maintenance, financing of ownership of the Owner's Project, and (b) any breach of the foregoing obligations. Owner shall pay, upon demand, all of the reasonable fees and expenses paid or incurred by DHCS in enforcing the provisions of this Declaration against Owner.

3. Restrictions On Sale, Encumbrance, And Other Acts.

3.1 Owner shall not voluntarily (which term shall not be interpreted to include a foreclosure of any security for a loan or deed-in lieu) sell, encumber (including recordation of deeds of trust), hypothecate, assign, pledge, convey, or transfer the Property, or any portion thereof, or any of its interests therein, equity interest in Owner, or any general partner interest in the Owner without obtaining DHCS's prior written consent, which shall not be unreasonably withheld by DHCS, in DHCS's sole discretion, if (a) the Owner is not in default hereunder or under the Program Funding Agreement and delivers a certificate to DHCS certifying to the same; (b) the purchaser or assignee is not in default under any obligations it may have to DHCS and is not the subject of any legal or enforcement actions by DHCS; (c) evidence reasonably satisfactory to DHCS is presented to establish that the purchaser or assignee has prior experience in the successful development, ownership, and/or operation of a facility described in Exhibit B for individuals who qualify as members of the target population, or has a partner with said relevant experience; (d) DHCS shall have received reasonable evidence satisfactory to DHCS that the Owner's purchaser or transferee has assumed, in writing, the restrictions on the Property and Owner's duties and obligations under this Declaration and the Program Funding Agreement; (e) evidence satisfactory to DHCS that the purchaser or assignee does not have pending against it, nor does it have a history of, building or fire code violations as identified by any department of DHCS; and (f) such other conditions as the State may reasonably impose to ensure compliance by the assignee or purchaser and Property with the requirements of this Declaration and Program Funding Agreement. It is expressly stipulated and agreed that, except for any such sale, transfer or disposition agreed to by DHCS in a separate writing, any sale, transfer, or other disposition of the

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Property in violation of this Section 3 shall be null and void , and shall not relieve the Owner of its obligations under this Declaration. Upon any sale or transfer which complies with this Declaration, the Owner shall be fully released from any obligations arising after said sale or transfer, but only to the extent such obligations have been assumed by the transferee of the Property. Any transfer of the Property to any entity, whether or not affiliated with the Owner, shall be subject to the provisions of this Section 3.

3.2 If DHCS determines, in its reasonable discretion, to grant its prior written consent for a sale, assignment, transfer, or conveyance of the Property, such consent may impose additional terms and conditions, as necessary, to preserve or establish the fiscal integrity of the Property or to ensure compliance with this Declaration.

3.3 If a trustee under a loan acquires title to the Property by foreclosure or deed in lieu of foreclosure, no consent of the State shall be required to such transfer under this Declaration; however, the consent of DHCS and delivery of items (a) through (f) in Section 3.1 above shall be required for any transfer of the Property subsequent to the trustee's acquisition of the Property by foreclosure or deed in lieu of foreclosure.

4. Insurance, Casualty, and Condemnation.

4.1 During the Restriction Period, Owner shall obtain and maintain (i) property insurance insuring against, among other things, loss of the Property, or any portion thereof, and Owner's personal property and fixtures by fire and such other hazards and casualties; (ii) commercial liability insurance insuring against liabilities arising out of the ownership, use, occupancy, condition, or maintenance of or the operations, use, and activities in, on, or about the Property; and (iii) other such insurance required by DHCS, and in such amounts as required by DHCS, which policies shall include DHCS as an additional insured upon request by DHCS. All insurance policies and renewals thereof shall be issued by a carrier and in a form acceptable to DHCS. Owner may choose to self-insure to comply with these requirements and agrees to provide written evidence of such insurance coverage within five (5) days of such request by DHCS or AHP.

4.2 In the event of any fire or other casualty to the Property or any part thereof, Owner shall immediately notify DHCS and seek direction from DHCS on how to proceed. DHCS, in its sole and absolute discretion, shall determine whether to instruct the Owner to apply the insurance proceeds to repayment to DHCS of the unamortized Program Funds. DHCS has the right but not the obligation to approve the plans and specifications for any repair and restoration, as well as the right but not the obligation to approve disbursements of insurance proceeds for repair and restoration under a construction escrow or similar arrangement.

5. Covenants Run with the Land. The Property is held and hereafter shall be held, conveyed, hypothecated, encumbered, leased, rented, used, and occupied subject to this Declaration. Notwithstanding section 1460, et seq., of the California Civil Code, the provisions hereof shall run with the land and may be enforced either in law or equity by any State agency. DHCS and Owner hereby declare their express intent that the covenants, reservations, and restrictions contained herein shall be deemed both equitable servitudes and covenants running with the land and shall pass to and be binding upon the Owner's successors in title to the Property;

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provided, however, that upon the expiration of the Restriction Period said covenants, reservations and restrictions shall expire. Owner expressly acknowledges and agrees that the Declaration is a reasonable restraint on Owner's right to own, use, maintain, and transfer the Property and any estate or interest therein and is not and shall not be construed to be an unreasonable restraint on alienation. Each and every contract, deed, or other instrument hereafter executed covering or conveying the Property, or any portion thereof, shall be held conclusively to have been executed, delivered, and accepted subject to this Declaration, regardless of whether this Declaration is set forth in such contract, deed, or other instrument.

6. Term of Declaration. The covenants in this Declaration shall be binding, effective, and enforceable commencing upon the recordation of this Declaration on the fee estate in land in the official records of the County, and they shall continue in full force and effect for a period of at least thirty (30) years after the date of either of the following: (i) the date of issuance of a Certificate of Occupancy, if the Owner's Project is for construction of a new facility, or (ii) the date of recordation of a Notice of Completion, in the official records of the County, if the Project is for the rehabilitation or expansion of an existing facility on the Property (the "**Restriction Period**"), regardless of any sale, assignment, transfer, or conveyance (including, without limitation, by foreclosure sale) of the Property or any portion thereof to any other person or entity.

7. Default, Remedies. If Owner defaults in the performance or observance of any covenant, agreement, restriction, or obligation of Owner set forth in this Declaration, and if such default remains uncured for a period of thirty (30) days after notice therefore shall have been given by DHCS to the Owner, then DHCS shall declare an "**Event of Default**" to have occurred hereunder. An Event of Default under this Declaration shall entitle DHCS to any rights, remedies, or damages available in law or equity, including, but not limited to, those that are specified in Section 7.1-7.4 below. DHCS's failure to exercise any specific right or remedy shall not be construed as a waiver of that or any other right or remedy. An Event of Default under this Declaration shall also constitute a default under the Program Funding Agreement, in the event the same has not expired by its terms.

7.1 Specific Performance. The use, repair, and maintenance of the Property is of a special and unique kind and character, so that a breach of any material provision of this Declaration by Owner would not have an adequate remedy in law. Therefore, DHCS's rights may be enforced by an action for specific performance and such other equitable relief as is provided by the laws of the State of California.

7.2 Injunctive Relief. In pursuing specific performance of the Declaration, DHCS shall be entitled to petition the court for injunctive relief to enjoin any acts or things which may be in violation of this Declaration or the Program Funding Agreement. Such injunctive relief may include a court order restraining any development of the Property that is inconsistent with the foregoing Declaration.

7.3 Appointment of Receiver. In addition to or in conjunction with any other remedy available in law or equity, DHCS may apply to a court of competent jurisdiction for the appointment of a receiver to take over and operate the Property in accordance with the requirements of the Program Funding Agreement and this Declaration. The receiver shall have all

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powers which shall be necessary or are usual in such cases for the protection, possession, control, management, and operation of the Property.

7.4 Right to Cure Defaults. Upon the occurrence and during the continuance of any Event of Default, the State may, but without any obligation to do so and without notice to or demand on Owner and without releasing Owner from any obligation hereunder, take such actions to cure the Event of Default in such manner and to such extent as the State may deem necessary to protect the security hereof. The cost and expense of any cure hereunder (including reasonable attorneys' fees to the extent permitted by law) shall be due and payable to the State upon demand, plus an administration fee of ten percent (10%).

7.5 Intentionally omitted.

8. DHCS Review and Inspection.

8.1 At any time during the term of this Declaration and upon reasonable notice, DHCS or its designee may, but is not obligated to, enter and inspect the Property and inspect all records pertaining to the operation, repair, and maintenance of the Property. Upon request by DHCS, Owner shall notify occupants of upcoming inspections in accordance with state law.

8.2 DHCS or its designee may, but is not obligated to, request any other information that it deems necessary to confirm compliance with this Declaration. Owner shall provide such requested information within fourteen (14) calendar days of DHCS's or its designee's written request for the information.

8.3 DHCS or its designee shall not, by the fact of making or not making any entries or inspections, or by taking or failing to take any action in response thereto: (i) incur or undertake, or be deemed to incur or undertake, any obligation, duty, or liability whatsoever, whether to Owner or to any other person or entity; (ii) be deemed as approving or disapproving any matter, action, incident, or condition related to the Property; or (iii) be deemed as approving or disapproving any matter related to the compliance of the Property with this Declaration or other applicable laws. In no event or circumstance shall DHCS's or its designee's exercise or non-exercise of its discretion under this subsection constitute, or be deemed or interpreted as constituting, any termination, limitation, alteration, or waiver by DHCS or its designee of any right, benefit, or remedies under or with respect to this Declaration.

9. Owner Representations. Owner represents and warrants to DHCS that: (1) Owner has sufficient interest in the Property to support the operation of the Property in accordance with this Declaration; (2) to Owner's actual knowledge and belief, there are no agreements, contracts, covenants, conditions, or exclusions to which Owner (or its predecessor in interest) is a party which would, if enforced, prohibit or restrict the use of the Property in accordance with the terms of this Declaration; (3) Owner has the full right and authority to enter into this Declaration; (4) this Declaration constitutes a valid and legally binding obligation on Owner, enforceable in accordance with its terms; and (5) Owner is duly organized, validly existing, and authorized to do business in the State of California.

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10. **Amendment, Modification.** This Declaration shall be amended only by a written instrument executed by the parties hereto or their successors in title, and duly recorded in the official records of the County.

11. **Severability.** Every provision of this Declaration is intended to be severable. If any provision of this Declaration is held invalid, illegal, or unenforceable by a court of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions shall not be affected or impaired.

12. **Governing Law.** This Declaration shall be governed by and interpreted under the laws of the State of California and applicable federal laws.

13. **Recordation of Agreement.** This Declaration shall be recorded on the fee estate in land in the official records of the County no later than December 31, 2026. The Declaration shall be recorded, and shall remain, as a lien against the Property for the Restriction Period. After the expiration of the Restriction Period, and, after the State's receipt of a written request from Owner, the State shall execute a termination of this Declaration.

SIGNATURES ON THE FOLLOWING PAGES

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IN WITNESS WHEREOF, Owner and State have caused this Declaration to be signed by their duly authorized representatives, as of the day and year first written above.

OWNER:

{{ legal_entity_name }},
{{ typ_of_legal_entity }}

By: _____
{{ las_name_pfa }}
{{ las_title_pfa }}

Date: _____

ALL SIGNATURES MUST BE ACKNOWLEDGED

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A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_____
Printed Name: _____
Notary Public

Docusign Envelope ID: 8B8D647A-22AF-8722-83CF-BB2408AE9733

IN WITNESS WHEREOF, Owner and State have caused this Declaration to be signed by their duly authorized representatives, as of the day and year first written above.

DHCS:

DEPARTMENT OF HEALTH CARE SERVICES,
a public agency of the State of California

By: _____
Laurice Artap, Section Chief
Community Services Division / Behavioral Health
Continuum Infrastructure Program Section

Date: _____

ALL SIGNATURES MUST BE ACKNOWLEDGED

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A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_____
Printed Name: _____
Notary Public

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EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

[TO BE INSERTED BY TITLE COMPANY]

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EXHIBIT B

PROPERTY AND OPERATIONS

A facility that provides one or more of the following behavioral health (mental health and substance use disorder) services to address significant crisis care and behavioral health gaps in California's infrastructure, including: outpatient clinical support services, including urgent care, short-term crisis, crisis stabilization, substance use disorder, partial hospitalization; or residential clinical services that provide shelter and support, including psychiatric acute care, psychiatric health, psychiatric treatment, substance use disorder, community treatment, general acute care, acute care, mental health rehabilitation, peer respite, short-term therapeutic, skilled nursing with special treatment, or social rehabilitation. The facility shall accept and provide services to Medi-Cal beneficiaries as patients.

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ATTACHMENT I

CONSTRUCTION CONTRACT ADDENDUM

This Construction Contract Addendum (this "**Addendum**") is made this _____day of _____, ____, by and between {{ legal_entity_name }}, {{ typ_of_legal_entity }} ("**Owner**") and _____ (the "**Contractor**").

RECITALS

A. The Owner and Advocates for Human Potential, Inc., a Massachusetts corporation ("**AHP**"), acting as program administrator for the State of California ("**State**") Department of Health Care Services, a public agency of the State of California ("**DHCS**"), have entered into that certain Program Funding Agreement dated _____ (the "**Agreement**"), pursuant to which Owner was allocated funds ("**Program Funds")** pursuant to the Behavioral Health Continuum Infrastructure Program ("**BHCIP**") for the purposes of developing the project located at {{ proposed_address }}, {{ proj_city }}, CA {{ proj_zip }} (the "**Project**").

B. Owner and Contractor have entered into a construction agreement dated _____, under which Contractor has agreed to undertake construction work on the Project (the "**Contract**").

C. Owner and Contractor wish to modify and add to the terms of the Contract as set forth in this Addendum, and Contractor agrees to be bound by the following provisions in the construction of said Project, in order to provide for certain terms required by AHP as a condition of providing the Program Funds for the Project. It is a condition to AHP providing the Program Funds that the Contractor agrees to be bound by the terms hereof.

NOW, THEREFORE, Owner and Contractor hereby agree as follows:

1. OWNER'S OBLIGATIONS. Owner agrees that any obligation imposed on Contractor by this Addendum does not waive, diminish, or alter any of Owner's obligations to AHP under the Agreement, and that the obligations of Contractor to AHP contained herein are in addition to those obligations of Owner to AHP or DHCS contained in the Agreement. Owner shall be solely responsible for satisfying its obligations to Contractor under the Contract.

2. CONSENT TO ASSIGNMENT OF DEVELOPMENT RIGHTS. Contractor consents to the assignment of its Contract with Owner to AHP, upon demand by AHP and written approval from DHCS, and to any subsequent assignment of the Contract by AHP at the election of AHP. Contractor agrees that if there is a breach of the Agreement or any other Event of Default (as the term may be defined in the Agreement), AHP may elect to enforce the assignment and take over the Contract. Contractor agrees to continue to perform its obligations under the Contract and this Addendum for the benefit and account of AHP in the same manner as if performed for the benefit and account of Owner in the absence of the assignment at no additional cost to AHP, as long as Contractor has received and continues to receive the compensation called for under the Contract. Contractor agrees that AHP shall not have any obligation under the Contract until AHP

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notifies it in writing of AHP's election to accept the assignment. DHCS shall not provide its written approval to AHP without first consulting with the Sponsor about AHP's request.

3. ASSIGNMENT OF SUBCONTRACTS. Contractor hereby consents to the assignment to AHP of all its interest in all subcontracts and agreements now or hereafter entered into by Contractor for performance of any part of the construction work required to be performed under the Contract. The assignment will be effective upon acceptance by AHP in writing and only as to those subcontracts and agreements which AHP designates in writing. After obtaining DHCS written approval, AHP may accept said assignment at any time during the course of the construction work required to be performed under the Contract and prior to final completion of construction work required to be performed under the Contract in the event of a suspension or termination of Contractor's rights under the Contract. Such assignment is part of the consideration to Owner for entering into the Contract with Contractor and may not be withdrawn prior to final completion of construction work required to be performed under the Contract. Contractor agrees that any subcontract entered by and between Contractor and a subcontractor in connection with the Contract or performance of the construction work required to be performed under the Contract shall expressly provide that such subcontract shall be assignable to AHP and that AHP subsequently may assign such subcontract. DHCS shall not provide its written approval to AHP without first consulting with the Sponsor about AHP's request.

4. COMMENCEMENT AND COMPLETION OF CONSTRUCTION. Contractor must begin construction of the Project by the date set for the commencement of construction in the Contract. Contractor must diligently prosecute construction of the Project to completion and must complete construction of the Project by the completion date set forth in the Contract. Incorporated herein are the Scope of Work, Performance Milestones, and Payment Schedule from the Agreement.

5. CONSTRUCTION BONDS. Upon execution of the Contract and prior to commencement of construction, unless otherwise approved by AHP or DHCS each in their sole discretion, Contractor must obtain a labor and material (payment) bond and a performance bond, or a dual bond which covers both payment and performance obligations, with respect to the construction of the Project in a penal sum each of not less than one hundred percent (100%) of the scheduled cost of construction. Such bonds must be issued by a company which is authorized to transact surety insurance in California and which has assets exceeding its liabilities in an amount equal to or in excess of the bond amount. The bonds must name AHP and DHCS as co-obligees. Owner shall provide to AHP a copy of any and all such payment and performance bonds prior to commencement of the construction work required to be performed under the Contract.

6. CONTRACT WORK. Contractor warrants and represents that it is licensed or otherwise authorized to perform the construction work specified in the Contract in the State of California. All construction work must be performed by persons or entities licensed or otherwise authorized to perform the applicable construction work in the State of California. Contractor shall insert similar provisions in all subcontracts for work for the Project.

7. QUALITY OF WORK. Contractor must construct the Project in conformance with the plans and specifications and any modifications thereto approved by AHP. Contractor must construct the Project according to general industry standards and shall employ building materials

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of a quality suitable for the requirements of the Project and conforming to general industry standards. Contractor must construct the Project in full conformance with applicable local, state, and federal statutes, regulations, and building and housing codes.

The parties acknowledge that AHP and DHCS are under no duty to review the Plans and Specifications or to inspect construction of the Project. Any review or inspection undertaken by AHP or DHCS of the Project is solely for the purpose of determining whether Owner and Contractor are properly discharging their obligations, and should not be relied upon by Owner, Contractor, or any third parties as a warranty or representation by AHP or DHCS as to the quality of the design or construction of the Project.

8. ADDITIONS OR CHANGES IN WORK. AHP must be notified, no later than thirty (30) days after the execution of a change order by and between Owner and Contractor, of any changes in the work required to be performed under the Contract or this Addendum, including any substantial additions, changes, or deletions to the approved plans and specifications, which exceeds One Hundred Thousand Dollars ($100,000). Contractor shall not allow subcontractors to mark-up any change order by more than fifteen percent (15%). Contractor shall provide AHP and Owner with an updated budget and schedule prior to the commencement of construction at the Project and at fifty percent (50%) completion of the Project showing all changes from the budget and schedule prepared prior to the issuance of the notice to proceed to Contractor.

9. SITE INSPECTIONS. Contractor shall permit and facilitate in person and remote observation and inspection of work at the job site by AHP and DHCS and their agents and by public authorities during reasonable business hours.

10. AUDITS. Contractor must make available for examination at reasonable intervals and during normal business hours to AHP and DHCS's representatives all books, accounts, reports, files, and other papers or property with respect to all matters covered by the Contract and this Addendum, and must permit these representatives to audit, examine, and make copies, excerpts, or transcripts from such records.

11. NONDISCRIMINATION. Contractor may not discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, sexual preference, national origin, AIDS or AIDS-related conditions, or disability in any phase of employment during construction. Contractor agrees to post in conspicuous places, available to all employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

12. PREVAILING WAGES. All workers performing construction work for the Project employed by Contractor and by any of its subcontractors must be compensated in an amount no less than the general prevailing rate of per diem wages as determined by the California Department of Industrial Relations under California Labor Code section 1770 et seq. and implementing rules and regulations. Contractor must comply with, and must ensure that its subcontractors comply with, all reporting and recordkeeping requirements of the applicable prevailing wage statutes and regulations.

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In the event of underpayment of wages by Contractor or by any subcontractor employed on the Project, AHP, in addition to other rights and remedies afforded by this Agreement, may: (1) demand that any underpaying employer comply with these requirements; (2) demand that the underpaying employer pay the difference between the prevailing wage rate and the amount actually paid to workers; (3) withhold and/or pay any Program Funds as necessary to compensate workers the full wages required under this Agreement; and/or (4) pursue any lawful administrative or court remedy to enforce these requirements against the underpaying employer. Any underpaying employer shall comply with a demand to pay any amounts due under this section within ten (10) calendar days of the demand.

Contractor must include the prevailing wage requirement in all subcontracts for work on this Project and must specify that AHP and DHCS are intended third-party beneficiaries of such provisions. Contractor must take reasonable measures to monitor and enforce the prevailing wage requirements imposed on its subcontractors, including withholding payments to those subcontractors who violate these requirements. In the event that Contractor fails to take the above measures, Contractor shall be liable for the full amount of any underpayment of wages, plus costs and attorneys' fees, as if Contractor was the actual employer.

13. INSURANCE COVERAGE. Contractor must have in full force and effect during the complete course of construction of the Project, insurance, providing coverage in the types and amounts set forth below:

13.1 Workers' compensation insurance as required by the State of California.

13.2 Comprehensive automobile and vehicle liability insurance covering claims for injuries to members of the public and/or damages to property of others arising from use of motor vehicles, including on-site and off-site operations, and owned, non-owned, or hired vehicles, with One Million Dollars ($1,000,000) combined single limits.

13.3 Commercial general liability insurance of not less than One Million Dollars ($1,000,000) per occurrence with an annual aggregate limit of Five Million Dollars ($5,000,000) for bodily injury and property damage liability combined. Such insurance can be provided pursuant to a combination of a commercial general liability insurance policy and an umbrella policy. The commercial general liability insurance policy shall cover liabilities arising out of premises, operations, independent contractors, products, completed operations, personal and advertising injury, and liability assumed under an insured agreement. The commercial general liability insurance shall apply to each insured against whom claim is made or suit is brought subject to the Sponsor's limit of liability.

14. NON-LIABILITY OF OFFICIALS, EMPLOYEES, AND AGENTS. No director, officer, official, employee, consultant, or agent of AHP or DHCS shall be personally liable to Contractor for any obligation created under the terms of the Contract or this Addendum except in the case of actual fraud or willful misconduct by such person.

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15. INDEMNITY. Notwithstanding the insurance requirements herein, Contractor hereby indemnifies, defends, and holds AHP, DHCS, and their respective directors, officers, officials, employees, consultants, and agents (collectively, the "Indemnified Parties"), harmless against any losses, damages, liabilities, claims, demands, judgments, actions, court costs, and legal or other expenses (including reasonable attorneys' fees) which an Indemnified Party may incur as consequence of Contractor's failure to perform any obligations as and when required by the Contract or this Addendum, any act or omission by Contractor or its subcontractors with respect to the Project, or any failure of any of Contractor's representations or warranties to be true and complete, except to the extent such losses are caused by the negligence or willful misconduct of the Indemnified Party. Contractor shall pay immediately upon the Indemnified Party's demand any amounts owing under this indemnity. The duty of Contractor to indemnify includes the duty to defend the Indemnified Party in any court action, administrative action, or other proceeding brought by any third party arising from the Project or the Contract or this Addendum. Contractor's duty to indemnify the Indemnified Party shall survive the term of the Contract.

16. HAZARDOUS MATERIALS. Neither Contractor nor any of its subcontractors may use the real property upon which the Project is to be constructed (the "Project Property") or allow the Project Property to be used for the generation, manufacture, storage, disposal, or release of Hazardous Materials. Contractor shall immediately notify AHP and Owner in writing of: (a) the discovery of any concentration or amount of Hazardous Materials on or under the Project Property requiring notice to be given to any governmental agency under Hazardous Materials Laws; (b) any knowledge by Contractor that the Project Property does not comply with any Hazardous Materials Laws; (c) the receipt by Contractor of written notice of any Hazardous Materials claims; and (d) the discovery by Contractor of any occurrence or condition on the Project Property or on any real property located within 2,000 feet of the Project Property that could cause the Project Property to be designated as a "hazardous waste property."

17. NOTICES; NOTICE OF DEFAULT TO AHP. If at any time after the execution of the Contract it shall become necessary or convenient for Contractor to serve any notice, demand, or communication upon AHP, such notice, demand or communication shall be in writing provided in accordance with the notice requirements of the Agreement. Contractor shall give AHP prior or concurrent written notice of any default or breach claimed by Contractor against Owner or any other party under the Contract. The notice shall describe the default and give AHP the option to cure said default within thirty (30) calendar days. No termination of the Contract by Contractor shall be binding unless AHP has been given the required notice and has not cured the default within thirty (30) calendar days.

18. REMEDIES. The parties hereto agree that AHP, while not a party to the Contract, is an intended third-party beneficiary of the obligations imposed on Contractor in this Addendum. In the event of any breach or violation of any agreement or obligation of Contractor under the Contract or this Addendum, AHP may proceed with any of the following remedies:

18.1 Bring an action in equitable relief seeking the specific performance by Contractor of the terms and conditions of the Contract or this Addendum and/or enjoining, abating, or preventing any violation of said terms and conditions;

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18.2 Order immediate stoppage of construction and demand that any condition leading to the default be corrected before construction may continue;

18.3 Enter the Project Property and take any actions necessary in its judgment to complete construction of the Project as permitted under the assignment of development rights;

18.4 Suspend disbursement of Program Funds for the Project until the breach or violation is corrected, or, if Owner had any concurrent obligation to perform on or ensure performance on the breached obligation, cancel the Program Funds commitment made to Owner and terminate AHP's obligation to disburse Program Funds to Owner;

18.5 Terminate the Contract; or

18.6 Pursue any other remedy allowed in law or equity.

19. GOVERNING LAW. This Addendum shall be interpreted under and be governed by the laws of the State of California, except for those provisions relating to choice of law and those provisions preempted by federal law.

20. DEFINITIONS. Capitalized terms not defined in this Addendum shall have the same meaning as defined in the Agreement.

21. ATTORNEYS' FEES AND COSTS. In the event any legal action is commenced to interpret or to enforce the terms of this Addendum, the prevailing party in any such action shall be entitled to recover all reasonable attorneys' fees and costs incurred in such action.

22. TIME. Time is of the essence in the performance of this Addendum by Contractor.

23. CONSENTS AND APPROVALS. Any consent or approval required under this Addendum shall not be unreasonably withheld, delayed, or conditioned.

24. BINDING UPON SUCCESSORS. All provisions of this Addendum shall be binding upon and inure to the benefit of the heirs, administrators, executors, successors-in-interest, transferees, and assigns of each of the parties; provided, however, that this section does not waive the prohibition on assignment of this Addendum by Contractor without AHP's consent.

25. RELATIONSHIP OF CONTRACTOR AND AHP. Contractor understands that neither AHP nor DHCS undertakes or assumes any responsibility or duty to Contractor or to any third party. The relationship of Contractor and AHP and DHCS for this Project shall not be construed as a joint venture, equity venture, or partnership. AHP shall have no obligation to any party under the Contract but is an intended third-party beneficiary of the obligations under this Addendum. Contractor shall have no authority to act as an agent of AHP or DHCS or to bind AHP or DHCS to any obligation.

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26. ASSIGNMENT. Contractor may not assign any of its interests under the Contract or the Addendum to any other party, except with the prior written consent of AHP. Any unauthorized assignment shall be void.

27. AMENDMENTS AND MODIFICATIONS. Any amendments or modifications to this Addendum must be in writing and shall be made only if executed by Owner and Contractor and consented to in writing by AHP.

28. SEVERABILITY. Every provision of this Addendum is intended to be severable. If any provision of this Addendum is held invalid, illegal, or unenforceable by a court of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions shall not be affected or impaired.

29. ADDENDUM CONTROLS. In the event that any provisions of this Addendum and the Contract conflict, the terms of this Addendum shall control.

SIGNATURES ON THE FOLLOWING PAGE

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IN WITNESS WHEREOF, Owner and Contractor have executed this Construction Contract Addendum as of the date first written above.

OWNER:

By: _____
{{ las_name_pfa }}
{{ las_title_pfa }}

Date: _____

CONTRACTOR:

By: _____
Name: _____
Title: _____

Date: _____

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ATTACHMENT J

RFA

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ATTACHMENT K

NOTICE OF CONDITIONAL AWARD LETTER

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ATTACHMENT L

FACILITY ACCESS AGREEMENT
BEHAVIORAL HEALTH CONTINUUM INFRASTRUCTURE PROGRAM (BHCIP)
ROUND 2: UNMET NEEDS

1. STATEMENT OF INTENT

The purpose of this Facility Access Agreement (this "**Agreement**") is to provide the State of California (the "**State**") **Department of Health Care Services** ("**DHCS**") with access to a property and facility owned and operated by {{ legal_entity_name }}, {{ typ_of_legal_entity }} (the "**Sponsor**"), which received grant funding through the Behavioral Health Continuum Infrastructure Program ("**BHCIP**"). The Sponsor further agrees to provide information and documents to DHCS as outlined in this Agreement. The Sponsor agrees to provide this facility access and to provide the information outlined in this Agreement to enable DHCS to confirm the Sponsor's compliance with BHCIP requirements and restrictions and applicable federal regulations. The Sponsor enters into this Agreement as a condition of receipt of Bond BHCIP Funds and will comply with this Agreement for the term specified.

2. BACKGROUND

DHCS oversees BHCIP pursuant to the requirements of California Welfare and Institutions Code sections 5960-5960.4, as amended by sections 5965-5967.01 that provided, in part, for the: (a) addition of section 5965.04 to the California Welfare and Institutions Code allocating additional funding to the Program; and (b) repealed section 5960.45 from the California Welfare and Institutions Code.

DHCS oversees BHCIP to award State Behavioral Health Infrastructure Bond Act of 2024 funds ("**Bond BHCIP Funds**") to qualified entities, through competitive grants, to construct, acquire, and rehabilitate real estate assets to address significant crisis care gaps in California's behavioral health (mental health and substance use disorder) infrastructure.

DHCS awarded the Sponsor Bond BHCIP Funds to acquire, expand, or construct certain improvements (the "**Sponsor's Project**") on that certain real property commonly known as {{ proposed_address }}, located in the City of {{ proj_city }}, County of {{ county }}, State of California, and the improvements thereon (the "**Property**"); and, to operate the specific type of behavioral health facility (the "**Facility**") identified in the Sponsor's application on the Property following the completion of the Sponsor's Project.

As part of DHCS's grant award to the Sponsor, the Sponsor entered into a contract with Advocates for Human Potential, Inc., a Massachusetts corporation ("**AHP**"), which is assisting in the management of the Bond BHCIP Funds and administering BHCIP in partnership with DHCS.

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This Agreement between DHCS and the Sponsor provides additional obligations the Sponsor has to DHCS as a condition of receiving all funds under the Sponsor's contract with AHP and in order to comply with the requirements of the statutes governing BHCIP.

3. APPLICABILITY OF BHCIP STATUTES

It is the intent of the parties that the Sponsor, and any subsequent owners of the Property continue to be bound by the requirements of the BHCIP statutes (California Welfare and Institutions Code sections 5960-5960.4,) and this Agreement for a minimum of thirty (30) years from the date of the Sponsor's contract with AHP, and shall continue in full force and effect for a period of at least thirty (30) years after the date of either of the following: (i) the date of issuance of a Certificate of Occupancy, if the Sponsor's Project is for construction of a new facility, or (ii) the date of recordation of a Notice of Completion in the official records of the county in the jurisdiction where the Property is located, if the Sponsor's Project is for the rehabilitation or expansion of an existing facility on the Property, notwithstanding the repeal of the BHCIP statutes. The BHCIP statutes, as written on the date of this Agreement, are hereby incorporated by reference into this Agreement.

4. SPONSOR OBLIGATIONS TO DHCS

For a minimum of thirty (30) years, the Sponsor shall:

A. Ensure that the Facility operates in compliance with the requirements set forth in California Welfare and Institutions Code sections 5960-5960.4 and Section 8.A. of this Agreement;
B. Comply with the change of Facility use requirements contained in Section 8.B. of this Agreement, if applicable;
C. Maintain all books, accounting records, client records, and documents in accordance with the requirements set forth in Section 8.C. of this Agreement;
D. Provide DHCS access to the Property, the Facility, books, accounting records, client records, and documents in accordance with the requirements set forth in Section 8.D. of this Agreement;
E. Provide DHCS with reports in the manner and frequency set forth in California Welfare and Institutions Code sections 5960-5960.4 and Section 8.E. of this Agreement;
F. Require, as a condition of sale, that any subsequent owners of the Property comply with the terms of this Agreement, if the Sponsor transfers ownership of Facility at any time during the thirty (30) years;
G. Obtain DHCS's written consent prior to incurring any debt secured by the Property, as applicable;
H. Provide written notice to DHCS within thirty (30) days of payment in full of any debt secured by the Property, as applicable; and
I. Provide written notice to DHCS of any litigation or governmental proceeding pending against the Sponsor, or any other event, that may materially adversely affect the Sponsor's Property, business, operations, assets, condition (financial or otherwise), or prospects, in accordance with the requirements set forth in Section 8.H. of this Agreement.

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5. SERVICE LOCATION

The services shall be performed at the Property.

6. SERVICE HOURS

The services shall be provided during normal Sponsor working hours and days.

7. PROJECT REPRESENTATIVES

A. The project representatives during the term of this Agreement will be:

Department of Health Care Services	**{{ legal_entity_name }}**
Contract/Grant Manager: Laurice Artap, Section Chief Community Services Division / Behavioral Health Continuum Infrastructure Program Section **Telephone:** +1 (916) 345-8512 **Email:** laurice.artap@dhcs.ca.gov	**Contract/Grant Manager:** {{ las_name_pfa }}, {{ las_title_pfa }} **Telephone:** {{ las_cell_num_pfa }} **Email:** {{ las_email_pfa }}

B. Direct all inquiries to:

Department of Health Care Services	**{{ legal_entity_name }}**
State of California Department of Health Care Services Attention: Behavioral Health Expansion Branch, Community Services Division 1501 Capitol Avenue, MS 2633 Sacramento, CA 95814 **Telephone:** +1 (916) 345-8512 **Email:** laurice.artap@dhcs.ca.gov	Attention: {{ las_name_pfa }}, {{ las_title_pfa }} {{ lead_authorized_repersentative_address_business }} {{ lead_auth_rep_city_business }}, {{ lead_auth_rep_state_business }} {{ lead_auth_rep_zip_business}} **Telephone:** {{ las_cell_num_pfa }} **Email:** {{ las_email_pfa }}

C. Either party may make changes to the information above by giving written notice to the other party. Said changes shall not require an amendment to this Agreement.

8. SERVICES TO BE PERFORMED

A. Operation of the Facility:

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For a minimum of thirty (30) years, the Sponsor shall comply with the following requirements:

1. Operate the Facility in accordance with all applicable requirements in California Welfare and Institutions Code sections 5960-5960.4;
2. Operate the Facility as the type of behavioral health services facility identified in the Sponsor's DHCS-approved BHCIP grant application for Bond BHCIP Funds, and serve the populations identified in the Sponsor's DHCS-approved BHCIP grant application for Bond BHCIP Funds, unless otherwise approved by DHCS in the manner described in Section 8.B. below; and
3. Accept Medi-Cal and/or Mental Health Services Act/Behavioral Health Services Act ("**MHSA/BHSA**") beneficiaries and serve at least the same percentage, or more, of Medi-Cal and/or MHSA/BHSA beneficiaries, as identified in the Sponsor's DHCS-approved BHCIP grant application for Bond BHCIP Funds.

Any change to the Sponsor's Project, including the Sponsor's Project expansion scope requirements, as set forth in Table 1 below, shall require the Sponsor to submit a written request to DHCS in accordance with the requirements of Section 8B. No changes may be made without prior written approval from DHCS.

TABLE 1		
A. SPONSOR'S PROJECT AND SPONSOR INFORMATION		
Sponsor Name: {{ legal_entity_name }} **Entity Type:** {{ typ_of_legal_entity }} **Project UUID:** {{ composite_uid }} **Project Name:** {{ proj_name }} **Project Address:** {{ proposed_address }}, {{ proj_city }}, {{ proj_state }} {{ proj_zip }}		
B. SPONSOR'S PROJECT NARRATIVE		
1. Behavioral health purpose of the project 2. Population to be served by the Project		
% of Medi-Cal and/or Mental Health Services Act/Behavioral Health Services Act ("MHSA/BHSA") Beneficiaries Served:		
C. SPONSOR'S PROJECT EXPANSION SCOPE REQUIREMENTS		
Facility Type 1:	**# New Beds:**	**# New Slots:**

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Facility Type 2:	**# New Beds:**	**# New Slots:**
Facility Type 3:	**# New Beds:**	**# New Slots:**
Facility Type 4:	**# New Beds:**	**# New Slots:**
Facility Type 5:	**# New Beds:**	**# New Slots:**
Facility Type 6:	**# New Beds:**	**# New Slots:**
Facility Type 7:	**# New Beds:**	**# New Slots:**
Facility Type 8:	**# New Beds:**	**# New Slots:**
	Total # New Beds:	**Total # New Slots:**

B. Change in Facility Use

For a minimum of thirty (30) years, if the Sponsor wants to change the type of behavioral health facility that it operates on the Property to something other than what was approved in the Sponsor's BHCIP grant application for Bond BHCIP Funds, or to change or expand populations to be served by the facility, the Sponsor shall submit a written request to DHCS prior to making such a change.

The Sponsor's written request shall:

1. Identify the desired type of behavioral health facility;
2. Identify the populations to be served by the facility;
3. Explain the need for the proposed change; and
4. Identify any licenses, certifications, building modifications, staff, or any other requirement that the Sponsor must obtain before being able to make the proposed change.

As a part of its review of the Sponsor's request, DHCS shall ensure that the change in use or population is tailored to provide behavioral health treatment that will meet community needs identified by local stakeholders, including the county board of supervisors, the county behavioral health director, providers of behavioral health services, and individuals who have or have had a mental health disorder or a substance use disorder. DHCS has absolute discretion to permit or deny the request and may require the Sponsor to provide additional information to evaluate the Sponsor's request.

C. Record Retention

1. The Sponsor shall maintain books, accounting records, client records, and other documents in a manner sufficient to properly reflect all direct and indirect costs of operating the Property during the term of this Agreement,

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including any matching costs and expenses. The foregoing constitutes "records" for the purpose of this provision.

2. The Sponsor's records and the Property's and Facility's records shall be subject at all reasonable times to inspection, audit, and reproduction by authorized representatives of the State, including DHCS or its authorized representatives.

3. The Sponsor agrees that departments authorized to represent the State (including DHCS, the Department of Finance or its authorized representatives, and the Bureau of State Audits or their designated representatives) and authorized representatives of the United States (including the Comptroller General and the Internal Revenue Service) shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. The Sponsor agrees to allow these state and/or federal representatives access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, the Sponsor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Cal. Gov. Code § 8546.7, 2 CCR §1896.77.)

   3.1 The Sponsor shall maintain records in a data storage medium that is accessible to DHCS. DHCS, at its sole discretion, shall determine whether the Sponsor's type of data storage medium meets this accessibility requirement.

4. The Sponsor shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Sponsor's Project and the Bond BHCIP Funds for a minimum of thirty-five (35) years from the date of final disbursement to the Sponsor of its award of Bond BHCIP Funds, in compliance with the July 2, 2008 General Obligation Bond Record Retention Memorandum from the California State Treasury Office, 26 C.F.R. §1.148-5(d)(6)(iii)(E), Section 7 of **Attachment A** of the Sponsor's contract with AHP, and all applicable Internal Revenue Service statutes, regulations, and guidance. If any litigation, claim, negotiation, audit, or other action involving the records has been started before the expiration of the thirty-five (35) year period, the records shall be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular thirty-five (35) year period, whichever is later.

5. The Sponsor may, at DHCS's discretion, following the expiration of this Agreement, reduce its accounts, books, and records related to this Agreement to microfilm, computer disk, CD ROM, DVD, or other data storage medium. Upon request by DHCS or an authorized DHCS representative to inspect, audit, or obtain copies of said records, the Sponsor shall supply or make available applicable devices, hardware, and/or software necessary to view, copy, and/or print said records. Applicable devices may include, but are not limited to, microfilm readers and microfilm printers, etc.

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D. DHCS Monitoring

DHCS, or its authorized representatives, has the right at all reasonable times to inspect the Property and the Facility. If DHCS exercises this right to inspect, the Sponsor shall provide access to the Property and the Facility and shall provide reasonable assistance for the safety and convenience of DHCS or its authorized representatives in the performance of their duties. All inspections and evaluations shall be performed in such a manner as will not unduly delay the work.

E. Proof of Insurance

Beginning five (5) years after the Sponsor's contract with AHP, the Sponsor shall provide DHCS with proof of insurance for the Property annually or whenever there is a change in coverage. DHCS shall accept evidence of self-insurance, in the amounts and types sufficient to provide adequate coverage, subject to DHCS approval, in its sole discretion.

F. Assignment of this Agreement Following the Transfer of Ownership of the Facility

If at any time during the thirty (30) year period of this Agreement, the Sponsor sells, gifts, or otherwise transfers ownership of the Property, in whole or in part, the Sponsor shall ensure that, as a condition of the ownership transfer, the subsequent owner of the Property complies with the terms of this Agreement.

Prior to finalizing any transfer of ownership of the Property, the Sponsor shall request that DHCS formally amend this Agreement to assign the Sponsor's obligations under this Agreement to the subsequent owner of the Property.

This Agreement is not assignable by the Sponsor, either in whole or in part, without the prior written consent of DHCS.

G. Debt Secured by the Property

1. The Sponsor shall obtain DHCS's written consent prior to incurring any debt secured by the Property, as applicable.

2. The Sponsor shall notify DHCS in writing within thirty (30) days of payment in full of any debt secured by the Property, as applicable.

H. Notice of Litigation and Other Events

Within five (5) business days after an officer or other authorized representative of the Sponsor obtains knowledge thereof, the Sponsor shall provide written notice to DHCS of (i) any litigation or governmental proceeding pending against the Sponsor which could materially adversely affect the Sponsor's Property, business, operations, assets, condition (financial or otherwise), or prospects and (ii) any other event which is likely to materially adversely affect the Sponsor's Property, business, operations, assets, condition (financial or otherwise), or prospects.

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I. Remedies

If the Sponsor violates the terms of this Agreement, DHCS or another department authorized to represent the State may impose a corrective action plan and/or take any of the following enforcement actions:

1. Direct AHP to temporarily withhold any grant payments of Bond BHCIP Funds pending correction of the deficiency;
2. Disallow all or part of the cost of the activity or action not in compliance;
3. Direct AHP to wholly or partly suspend or terminate the grant award of Bond BHCIP Funds;
4. Withhold or deny further award of Bond BHCIP Funds to the Sponsor;
5. Require the Sponsor to forfeit and return all or part of the grant award of Bond BHCIP Funds, including any interest; and/or
6. Require the Sponsor to forfeit and return all unused grant Bond BHCIP Funds, including any interest.
7. Specific Performance

DHCS (or another department authorized to represent the State) may specify the timeframes and deadlines for the Sponsor's compliance with the above remedies. All remedies required by DHCS shall be final and are not subject to administrative review.

DHCS (or another department authorized to represent the State) may take any other permissible remedies available in law or equity to enforce the terms of this Agreement.

9. AMERICANS WITH DISABILITIES ACT

Sponsor agrees to ensure that deliverables developed and produced pursuant to this Agreement shall comply with the accessibility requirements of sections 7405 and 11135 of the California Government Code, section 508 of the Rehabilitation Act of 1973 as amended (29 U.S.C. § 794d), regulations implementing the Rehabilitation Act of 1973 as set forth in Part 1194 of Title 36 of the Code of Federal Regulations, and the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101 et seq.). In 1998, Congress amended the Rehabilitation Act of 1973 to require Federal agencies to make their electronic and information technology (EIT) accessible to people with disabilities. California Government Code sections 7405 and 11135 codifies section 508 of the Rehabilitation Act of 1973 requiring accessibility of EIT.

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10. AGREEMENT EXECUTION

This Agreement shall be signed by DHCS and by a representative of the Sponsor, who by signing warrants that they have the requisite authority to enter into this Agreement on behalf of the Sponsor. This Agreement shall be effective as of the date that the complete document is signed or the date that the contract between the Sponsor and AHP goes into effect, whichever date is later.

_____
Sponsor's Authorized Representative's Signature

{{ las_name_pfa }}, {{ las_title_pfa }}
Sponsor Representative's Name in Print and Title

_____
Date

_____
DHCS Representative Signature

Laurice Artap, Section Chief
Community Services Division / Behavioral Health
Continuum Infrastructure Program Section
DHCS Representative Name in Print and Title

_____
Date

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– END OF ATTACHMENT C –

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ATTACHMENT 2

RFQ/P #25116-1 Addendum #1

Docusign Envelope ID: 8B8D647A-22AF-8722-83CF-BB2408AE9733

County of Santa Barbara

GENERAL SERVICES DEPARTMENT

ADDENDUM TO BID DOCUMENTS

ADDENDUM #1

Project Name:	SBCo North County Crisis Residential Treatment Facility
Project No.:	25116-1
Project Description:	Construction Management Services
Date Issued:	May 12, 2026

The following information is hereby incorporated into RFP/RFQ #25116-1 - GS Capital Project: REQUEST FOR QUALIFICATIONS/PROPOSALS for CONSTRUCTION MANAGEMENT SERVICES for SBCo North County Crisis Residential Treatment Facility - Bid Id: 211995. All addenda shall be acknowledged in Proposer's submission.

NOTE: ALL BID AND CONTRACT DOCUMENTS REMAIN UNCHANGED EXCEPT SECTIONS OR PARTS ADDED TO, REVISED, DELETED OR CLARIFIED BY THIS ADDENDUM.

Item 1: [ADD] Pre-Proposal Conference Attendance Sheet.

Docusign Envelope ID: 8B8D647A-22AF-8722-83CF-BB2408AE9733

Item 1:

Pre-Proposal Conference Attendance Sheet:

Proj #25116-1 Addendum #1: RFP/Q Construction Management Services SBCo North County Crisis Residential Treatment Facility

County of Santa Barbara

GENERAL SERVICES DEPARTMENT

NORTH COUNTY CRISIS RESIDENTIAL TREATMENT FACILITIES PROJECT
COUNTY PROJECT NO. 25116-1
TUESDAY, MAY 5, 2026
11:00AM – 11:30AM

PRE-PROPOSAL CONFERENCE ATTENDANCE SHEET

NAME	POSITION	COMPANY/FIRM	EMAIL ADDRESS	ATTENDED [X]
Stephanie Burdo	Marketing Director	Griffin Structures	sburdo@griffinstructures.com	X
John Duong	Associate Vice President	AECOM	john.duong@aecom.com	X
Mitch Vaccari	VP	AECOM	mitch.vaccari@aecom.com	X
Dinu Kane	President	Kane Construction Services, Inc.	Dkane@kanecsi.com	X
Sarah Mahlman	Business Development	Vanir	sarah.mahlman@vanir.com	X
Joey Tasca		Martin & Associates, Inc.	jtasca@johnmartin.com	X
Bob Fletcher	Vice President	STV Construction	bob.fletcher@stvinc.com	X
David Bruner	Director	Safework Inc.	david.bruner@safeworkinc.com	X
John Hughes	President	Griffin Structures	jhughes@griffinstructures.com	X
Daniel Contreras	COSB Division Manager Capital Projects	COSB	dcontreras@countyofsb.org	X
Evie Zuroske	Housing & Grants Program Manager, SB County Behavioral Wellness	COSB	ezuroske@sbcbwell.org	X
Diana Estorga	Capital Division Chief	COSB	diestorga@countyofsb.org	X
Ashton Ellis	Contract Project Manager	COSB	AEllis@Countyofsb.org	X
Laura Zeitz	Assistant Direction, Behavioral Wellness	COSB	LaZeitz@sbcbwell.org	X

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1. Summary	
Meeting title:	CM SERVICES PRE-PROPOSAL CONFERENCE: CoSB North County CRT
Attended participants:	15
Start time:	5/05/26, 10:55:00 AM
End time:	5/05/26, 11:30:48 AM
Meeting duration:	35m 48s
Average attendance time:	31m 24s

2. Participants				
Name	**First Join**	**Last Leave**	**In-Meeting Duration**	**Email**
Ashton Ellis	5/05/26, 10:55:18 AM	5/05/26, 11:30:30 AM	35m 12s	aellis@countyofsb.org
Daniel Contreras	5/05/26, 10:55:02 AM	5/05/26, 11:30:21 AM	35m 18s	DContreras@countyofsb.org
Vaccari, Mitchell (External)	5/05/26, 10:55:46 AM	5/05/26, 11:30:19 AM	34m 33s	mitch.vaccari@aecom.com
Joey Tasca (External)	5/05/26, 10:56:43 AM	5/05/26, 11:30:28 AM	33m 44s	jtasca@johnmartin.com
Duong, John (External)	5/05/26, 10:58:40 AM	5/05/26, 11:30:22 AM	31m 41s	John.Duong@aecom.com
Evelyn Zuroske	5/05/26, 10:58:44 AM	5/05/26, 11:30:20 AM	31m 35s	ezuroske@sbcbwell.org
Jon Hughes (External)	5/05/26, 10:59:32 AM	5/05/26, 11:30:21 AM	30m 49s	jhughes@griffinstructures.com
Magdaleno, Roy (External)	5/05/26, 10:59:32 AM	5/05/26, 11:30:20 AM	30m 48s	roy.magdaleno@vanir.com
Fletcher, Bob	5/05/26, 10:59:32 AM	5/05/26, 11:30:20 AM	30m 48s	Bob.Fletcher@stvinc.com
David Bruner (External)	5/05/26, 10:59:46 AM	5/05/26, 11:30:23 AM	30m 37s	David.Bruner@safeworkinc.com
Stephanie Burdo (External)	5/05/26, 10:59:50 AM	5/05/26, 11:30:20 AM	30m 30s	sburdo@griffinstructures.com
Mahlman, Sarah (External)	5/05/26, 10:59:50 AM	5/05/26, 11:30:22 AM	30m 32s	Sarah.Mahlman@vanir.com
Diana Estorga	5/05/26, 11:00:39 AM	5/05/26, 11:30:23 AM	29m 43s	DiEstorga@countyofsb.org
Dinukshi Kane (External)	5/05/26, 11:01:32 AM	5/05/26, 11:30:48 AM	28m 13s	dkane@kanecsi.com
Laura Zeitz	5/05/26, 11:03:29 AM	5/05/26, 11:30:19 AM	26m 50s	Lazeitz@sbcbwell.org

---------- [End of Addendum #1] ----------

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ATTACHMENT 3

RFQ/P #25116-1 Addendum #2

Docusign Envelope ID: 8B8D647A-22AF-8722-83CF-BB2408AE9733

County of Santa Barbara

GENERAL SERVICES DEPARTMENT

ADDENDUM TO BID DOCUMENTS

ADDENDUM #2

Project Name:	SBCo North County Crisis Residential Treatment Facility
Project No.:	25116-1
Project Description:	Construction Management Services
Date Issued:	May 28, 2026

The following information is hereby incorporated into RFP/RFQ #25116-1 - GS Capital Project: REQUEST FOR QUALIFICATIONS/PROPOSALS for CONSTRUCTION MANAGEMENT SERVICES for SBCo North County Crisis Residential Treatment Facility - Bid Id: 211995. All addenda shall be acknowledged in Proposer's submission.

NOTE: ALL BID AND CONTRACT DOCUMENTS REMAIN UNCHANGED EXCEPT SECTIONS OR PARTS ADDED TO, REVISED, DELETED OR CLARIFIED BY THIS ADDENDUM.

Item 1: [ADD] Questions from Public Purchase submitted prior to the deadline as stated in the RFQ/P of 5/26/26 at 5:00pm.

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Item 1:
Questions from Public Purchase submitted prior to the deadline as stated in the RFQ/P of 5/26/26 at 5:00pm:

Questions are in "**bold**" below. Answers are in "*red*".

1. Question submitted May 25, 2026 at 8:34pm via Public Purchase

   What is the anticipated DBE contract value?

   a) *The preliminary estimate is Nineteen Million One-Hundred Thousand Dollars ($19,100,000.00)*

2. Question submitted May 25, 2026 at 8:35pm via Public Purchase

   Is the CM required to procure, license, and implement a dedicated PMIS platform (e.g., Procore, Primavera, e-Builder, Kahua, or equivalent), with the costs included in the CM's fee/GMP?

   a) *No. This will be the Design-Build Entity's responsibility to supply when selected.*

3. Question submitted May 26, 2026 at 3:38pm via Public Purchase

   Can you confirm that the County is requesting the CM to breakout the cost of a field office as part of the CM fee?

   a) *The Field Office and associated expenses are typically incorporated into the General Conditions line of a proposal. The County does not specify any additional requirements for breaking out the costs separately for the Fiel Office expenses.*

---------- [End of Addendum #2] ----------

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ATTACHMENT 4

Vanir Construction Management, Inc.
Statement of Qualifications

Docusign Envelope ID: 8B8D647A-22AF-8722-83CF-BB2408AE9733

Solutions for Success

June 4, 2026

County of Santa Barbara, General Services Department, Capital Projects Division

RFQ/P for Construction Management Services

North County Crisis Residential Treatment Facility | County Project No. 25116

Submitted electronically via Public Purchase

VANIR

Docusign Envelope ID: 8B8D647A-22AF-8722-83CF-BB2408AE9733

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Kings County, Behavioral Health

1 Section 1: Transmittal/Cover Letter *(2-pages max.)*

3 Section 2: Signatory Requirements *(1-page max.)*

4 Section 3: Qualifications *(6-pages max.)*

10 Section 4: Experience of Proposer *(6-pages max.)*

16 Section 5: Proposed Work Plan, Time Schedule, and Workload *(4-pages max.)*

20 Section 6: Resource Allocation and Responsibilities Matrix *(7-pages max.)*

26 Section 7: References for Past Performance *(3-pages max.)*

29 Section 8: Deliverables *(1-page max.)*

30 Section 9: Cost Proposal *(Separate file, not counted towards page count limit)*

ii Section 10: Required Statements
(One page for each statement, not counted towards page count limit)

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Section 1: Cover Letter

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Vanir Construction Management, Inc.
735 Tank Farm Road, Suite 230
San Luis Obispo, CA 93401
T 805-541-1425
F 805-541-1940
vanir.com

June 4, 2026

County of Santa Barbara
General Services Department, Capital Projects Division
1105 Santa Barbara Street, Second Floor
Santa Barbara, CA 93101

ADDENDUM ACKNOWLEDGEMENT:
- ✓ Addendum No. 1 received on 05/12/2026
- ✓ Addendum No. 2 received on 05/28/2026

RE: CONSTRUCTION MANAGEMENT SERVICES NORTH COUNTY CRISIS RESIDENTIAL TREATMENT FACILITY – COUNTY PROJECT NO. 25116

Members of the Selection Committee:

Vanir Construction Management, Inc. is pleased to submit our proposal to provide Project and Construction Management (CM) Services for the North County Crisis Residential Treatment Facility. As a trusted partner to public agencies throughout California's Central Coast, Vanir brings decades of experience managing complex, grant-funded facilities for counties and public agencies statewide. Vanir offers proven best practices, operational insight, and lessons learned from Behavioral Health and Progressive Design Build Projects that directly benefit the County of Santa Barbara.

Vanir's Approach to Project Management and Construction Management (PMCM) Services

Our approach is grounded in collaboration, transparency, and proactive problem-solving. Vanir provides comprehensive PMCM services including marketing of your project, project management, procurement support, construction management, cost and schedule control, constructability review, stakeholder coordination, and compliance oversight for BSCC requirements and State Bond BHCIP grant funding. Throughout every phase of construction, we protect the County's interests through disciplined quality assurance, proactive risk management, and accountable project delivery.

A Team Grounded in Relevant, Local Justice Experience

Our Central Coast team, led by **Principal-in-Charge Scott Murphy and Project Director (Lead) Roy Magdaleno**, brings more than 50 years of combined experience delivering Behavioral Health and Psychiatric Facilities throughout California. Recent, relevant experience includes the Kern County Psychiatric Health Facility which encompasses two buildings independent stand-alone 16-bed crisis center. As well as the Kern County Youth Crisis Stabilization Unit and Family Resource Center (BHCIP grant) —experience directly aligned with the operational, security, and stakeholder priorities of the North County Crisis Residential Treatment Facility.

Deep Understanding of Progressive Design-Build and Design-Build

Vanir brings extensive experience in alternative project delivery, including more than 150 Design-Build (DB) and Progressive Design-Build (PDB) projects. Our team supports the full project lifecycle—from planning and procurement through design, construction, and occupancy—helping agencies achieve efficient, cost-effective, and high-quality outcomes. Vanir has also successfully guided public agencies in implementing their first DB and PDB projects, including both Best Value and Progressive approaches, resulting in successful delivery and continued authorization to use alternative delivery methods. This experience positions Vanir to effectively support the County in maximizing the benefits of Progressive Design-Build delivery for this project.

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Vanir's Guiding Principles for Project Management

Vanir prioritizes disciplined management of risk, budget, and schedule throughout project delivery.

Risk: We maintain an active risk management process that identifies, tracks, and mitigates project risks early to reduce uncertainty, support informed decision-making, and protect the County's interests.

Budget: We provide cost management through continuously reviewing the Progressive Design Build Entity (PDBE) open book cost estimates, scope validation, market benchmarking, and real-time budget monitoring to maintain alignment between project goals, design development, and available funding.

Schedule: We actively manage project scheduling through early coordination, milestone tracking, procurement oversight, and proactive issue resolution to maintain project momentum and support timely completion.

These principles guide every decision we make and form the foundation of our commitment to delivering a safe, secure, and operationally efficient facility for the County of Santa Barbara.

Firm Name/Mailing Address:	Vanir Construction Management, Inc. 735 Tank Farm Road, Suite 230 San Luis Obispo, CA 93401
Year Established:	1980
Entity Type:	Corporation
Our Organizational Structure:	Vanir was established in 1980 and is organized as a California corporation. We are a minority- and woman-owned firm with 12 California offices and additional offices in five other states. Our Sacramento headquarters houses corporate leadership, operations, and quality management resources. Over the past five years, Vanir has maintained a stable workforce of approximately 330–355 professionals and currently employs 333 staff members.
Vanir's Contact Person:	**Scott Murphy, Principal-in-Charge** 735 Tank Farm Road, Suite 230, San Luis Obispo, CA 93401 E: scott.murphy@vanir.com T: 559-801-1569
Proprietary Information:	There is no proprietary information in our proposal.
Addenda Acknowledgement:	Vanir acknowledges receiving Addendum No. 1 received on 05/13/2026 and Addendum No. 2 received on 05/28/2026.

Our team is enthusiastic about the opportunity to support the County of Santa Barbara in delivering this important project.

Sincerely,

Jerry Avalos, President
Vanir Construction Management, Inc.

Amanda White, Corporate Secretary
Vanir Construction Management, Inc.

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Section 2: Signatory Requirements

Docusign Envelope ID: 8B8D647A-22AF-8722-83CF-BB2408AE9733

SECTION 2

SIGNATORY REQUIREMENTS

Coalinga State Hospital, New Mental Health Treatment Facility

Signatory Requirements

ENTITY TYPE	**Corporation**
FULL LEGAL NAME OF CORPORATION	**Vanir Construction Management, Inc.**
SIGNATURE OF DULY AUTHORIZED OFFICER OF THE CORPORATION	**Jerry Avalos, President**
NAME/TITLE OF SIGNING OFFICERS	**Amanda White, Corporate Secretary**

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Section 3: Qualifications

Docusign Envelope ID: 8B8D647A-22AF-8722-83CF-BB2408AE9733

SECTION 3
QUALIFICATIONS

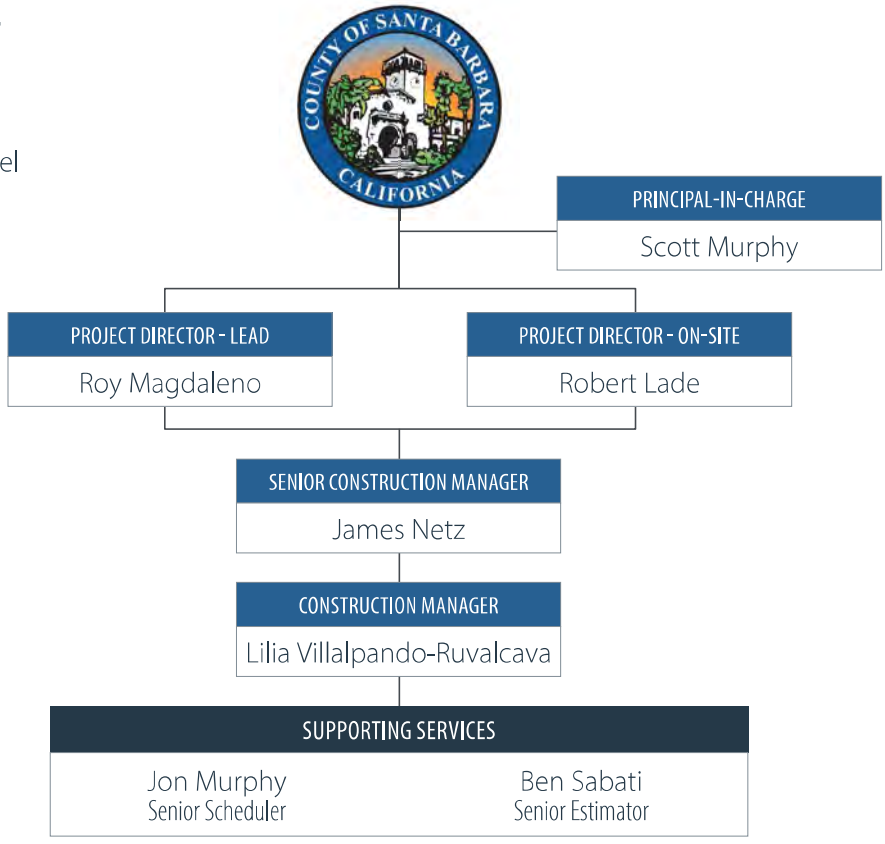
Los Angeles County, Palmdale Mental Health Center

Vanir's greatest strength is our people

Vanir is proud to present a team of professionals whose experience and expertise align seamlessly with Santa Barbara County's goals and requirements. Our proposed staff brings together individuals with backgrounds in construction management including Progressive Design-Build, architecture, engineering, sustainability, general contracting, and corrections forming a cohesive, multi-disciplinary team dedicated to delivering a modern and efficient treatment facility that meets the County's long-term needs. Leading this effort, **Scott Murphy** and **Roy Magdaleno** bring more than **50 years of combined mental and behavioral health experience** across counties such as San Luis Obispo, Kings, Tulare, San Benito, Fresno, Merced, Kern, and Madera. Their deep regional ties and extensive experience in treatment facilities will provide Santa Barbara County with proven leadership and reliable oversight.

ORGANIZATIONAL CHART

- Key Personnel
- Supporting Personnel



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Education

Bachelor of Science, Construction Management, California State University, Fresno

Certifications

Construction Management Association of America (CMAA), Certified Construction Manager (CCM)

28+

AEC Industry Experience

25+

DB/PDB Projects

SCOTT MURPHY, CCM | 18+ YEARS WITH VANIR, brings over 28 years of experience delivering mental and behavioral health facilities throughout the Central Coast and Central Valley of California. His portfolio includes more than 12 major public safety projects totaling more than 2,000 beds and 1 million SF of secure space.

As **Principal-in-Charge**, Scott will provide executive oversight, assure clear communication across all stakeholders, and maintain alignment with the County's goals, standards, and operational requirements. Scott will be an active participant in the Marketing of the project to PDBE teams, will participate in PDBE confidential meetings, assist the County in PDBE selection, and assist with PDBE negotiations on behalf of the County. He will guide the project team with his deep experience in managing Behavioral and Psychiatric Facilities, ensuring the PDBE, County Staff, and adjacent Sheriff facility remain integrated and informed throughout all phases of delivery.

Kern County, Behavioral Health and Recovery Services Psychiatric Health Facility, Bakersfield, CA. Project Director, $26 million, 30,000 SF, New Construction, Design-Build, Master Architect and Construction Management Services. (06/2021-07/2024)

City of Pismo Beach, Public Safety Facility, Pismo Beach, CA. Project Director, $46 million, 34,392 SF, New Construction, Design-Build, Owner's Representative Services. (08/2023-11/2025)

Kern County, Youth Crisis Stabilization Unit and Family Resource Center, Bakersfield, CA. Project Director, $18 million, 15,000 SF, New Construction, Design-Build, Master Architect and Construction Management Services. (03/2024-est. 05/2027)

City of Atascadero, New Public Safety Building, Atascadero, CA. Project Director, $22 million, 30,000 SF, New Construction, Design-Build, Construction Management and Bridging Architectural Services. (10/2023-est. 10/2027)

Central Union Elementary School District, R.J. Neutra Elementary School, Lemoore, CA. Senior Project Director, $46 million, 12,883 SF, New Construction, Progressive Design-Build, Project and Construction Management. (06/2025-est. 08/2026)

Education

Bachelor of Science, Construction Management, California State University, Fresno

Certifications

Construction Management Association of America (CMAA), Certified Construction Manager (CCM)

ROY MAGDALENO, CCM, Assoc. DBIA | 22+ YEARS WITH VANIR, brings more than 22 years of experience delivering mental and behavioral health facilities throughout Central California. He has led over $540 million in secure and non-secure facility projects, including 986 detention beds and 427,000+ square feet. His work spans multi-phase mental-health treatment units, juvenile justice facilities, and operationally active remodeling projects all delivered with strict schedule and budget demands.

As the **Lead Project Director**, Roy will provide strategic direction, risk oversight, and high-level management. He is known for navigating multi-agency justice environments, coordinating with county leadership, and maintaining project momentum through disciplined control of risk, cost, and schedule. Roy will lead Progressive Design-Build procurement strategy and guide the county-wide PDBE selection process including contract packaging, RFQ compliance tracking, and PDBE evaluations in collaboration with County stakeholders. He will also provide oversight for design consultant coordination and design management alongside the PDBE team.

CA Department of State Hospitals, Atascadero State Hospital, Atascadero, CA. Project Director, $200+ million, Various Projects, New Construction/Renovation, Various Delivery Methods, Construction and Program Management Services. (2021-Ongoing)

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25+
AEC Industry Experience

15+
DB/PDB Projects

Merced County, Behavioral Health and Recovery Services Center, Merced, CA. Senior Construction Manager, $31 million, 87,000 SF, Remodel, Design-Bid-Build, Master Architect and Construction Management Services. (04/2016-12/2018)

San Benito County, Behavioral Health Center, Hollister, CA. Project Director, $10 million, 17,212 SF, New Construction/Modular, Design-Build, Limited Preconstruction and Construction Management Services. (10/2019-03/2021)

CA Department of State Hospitals, Shandin Hills Mental Health and Rehabilitation Center, San Bernardino, CA. Project Director, $68 million, 71,713 SF, New Construction, Design-Build, Construction Management Oversight Services. (02/2024-07/2025)

Central Union Elementary School District, R.J. Neutra Elementary School, Lemoore, CA. Senior Project Director, $46 million, 12,883 SF, New Construction, Progressive Design-Build, Project and Construction Management. (06/2025-est. 08/2026)

Education
Bachelor of Science, Civil Engineering, California Polytechnic State University, San Luis Obispo

Professional License
CA Professional Engineer, Civil, #63293

Certifications
Construction Management Association of America (CMAA), Certified Construction Manager (CCM)

25+
AEC Industry Experience

15+
DB/PDB Projects

ROBERT LADE, PE, CCM | 3+ YEARS WITH VANIR, brings over 33 years of experience delivering projects for public, federal, energy, and private sectors. Robert has completed more than 40 public-sector projects totaling over 4 million SF across state hospitals, civic facilities, and federal installations. His portfolio includes several mental health and behavioral health, psychiatric, and treatment facilities ranging from $15,000 to $61 million delivered within complex state and federal regulatory environments. He has provided structural engineering and construction oversight on over 20 major state and federal facilities and functioned as the Community Workforce Coordinator for Santa Barbara County's Community Workforce Agreement.

As **On-site Project Director**, Robert will oversee all aspects of project delivery from validation and design coordination through construction and closeout. He will manage scope, budget, schedule, risk, stakeholder coordination, contractor performance, quality assurance, and compliance with County, BSCC, and BHCIP requirements. Robert will also facilitate collaboration among the County, Progressive Design-Build team, and stakeholders to support timely decision-making, proactive issue resolution, and successful project delivery.

City of Pismo Beach, Public Safety Facility, Pismo Beach, CA. Project Director, $46 million, 34,392 SF, New Construction, Design-Build, Owner's Representative Services. (08/2023-11/2025)

CA Department of State Hospitals, Atascadero and Coalinga State Hospitals, Statewide, CA. Project Director, $350+ million, Various Projects, Various Delivery Methods, Program, Project, and Construction Management Services. (2021-Ongoing)

City of Atascadero, New Public Safety Building, Atascadero, CA. Project Director, $22 million, 30,000 SF, New Construction, Design-Build, Construction Management and Bridging Architectural Services. (10/2023-est. 10/2027)

County of Santa Barbara, Probation Headquarters, Santa Barbara, CA. Project Director, $37.8 million, 15,800 SF, New Construction, Design-Bid-Build, Monitoring and Implementation of Community Workforce Agreement. (09/2024-est. 08/2026)

Central Union Elementary School District, R.J. Neutra Elementary School, Lemoore, CA. Senior Project Director, $46 million, 12,883 SF, New Construction, Progressive Design-Build, Project and Construction Management. (06/2025-est. 08/2026)

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Certifications

Construction Management Association of America (CMAA), Certified Construction Manager (CCM)

46+

AEC Industry Experience

60+

DB/PDB Projects

JAMES NETZ, CCM | 7+ YEARS WITH VANIR, brings over 46 years of experience in the AEC industry, 17 of those in leadership roles. He has extensive knowledge in overseeing numerous multimillion-dollar projects and operations throughout their life spans. He also has a proven track record of working within strict budgets on multiple projects simultaneously and of bringing all tasks to completion. Jim is adept at developing new ways to save money, improve workflow, and achieve employer and client goals.

As **Senior Construction Manager**, James will provide overall guidance and management of all Progressive Design-Build (PDB) activities including pre-design through project completion and close out. He will manage all PDB interactions through criteria validation, schematic design, design development, and construction documents. Scott will provide complete day-to-day management of all construction phase activities, management of the project team, overall performance, contract deliverables, and quality of the project.

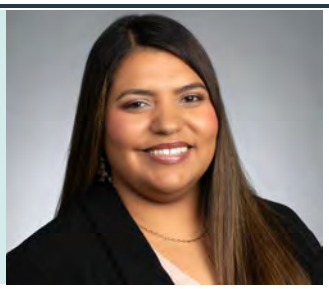
City of Pismo Beach, Public Safety Facility, Pismo Beach, CA. Project Director, $46 million, 34,392 SF, New Construction, Design-Build, Owner's Representative Services. (08/2023-11/2025)

CA Department of State Hospitals, Atascadero State Hospital, Atascadero, CA. Project Director, $21 million, 44,700 SF, New Construction/Renovation, Design-Bid-Build, Construction and Program Management Services. (TBD-03/2020)

City of Atascadero, New Public Safety Building, Atascadero, CA. Senior Construction Manager, $22 million, 30,000 SF, New Construction, Design-Build, Construction Management and Bridging Architectural Services. (10/2023-est. 10/2027)

San Benito County, Behavioral Health Center, Hollister, CA. Senior Construction Manager, $10 million, 17,212 SF, New Construction/Modular, Design-Build, Limited Preconstruction and Construction Management Services. (10/2019-03/2021)

San Luis Obispo County, San Luis Obispo Co-Located Dispatch Center, Templeton, CA. Senior Construction Manager, $25 million, 18,000 SF, New Construction, Design-Build, Project and Construction Management Services. (04/2018-10/2023)



Education

Bachelor of Science, Construction Management, California State University, Fresno

LILIA VILLALPANDO-RUVALCAVA, CMIT | 3+ YEARS WITH VANIR, Lilia brings over 17 years of experience in the AEC industry and is currently working as a construction manager on the Pismo Beach Public Safety Facility. She has previously supported more than $200 million in public-sector and justice-related projects, including her work with Kitchell on the 376-bed Santa Barbara County Northern Branch Jail and multiple other county essential-service facilities. Her background spans construction administration, field coordination, and document control for detention facilities, civic buildings, and multi-prime capital programs.

As **Construction Manager,** Lilia will assist the senior construction manager in all construction management duties and responsibilities, providing additional quality assurance and control, change management, coordination of special inspections and performance assessments, cost validation and review, and management of schedules and PDBE deliverables.

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Certifications
Construction Management Association of America (CMAA), Construction Manager-in-Training (CMIT)

17+
AEC Industry Experience

1
DB/PDB Projects

City of Pismo Beach, Public Safety Facility, Pismo Beach, CA. Project Manager, $46 million, 34,392 SF, New Construction, Design-Build, Owner's Representative Services. (08/2023-11/2025)

CA Department of General Services, DMV Field Office, Santa Maria, CA. Project Manager, $18 million, 13,700 SF, New Construction, Design-Bid-Build, Construction Management Services. (12/2022-11/2025)

Santa Barbara County, Northern Branch Jail, Santa Barbara, CA. Project Manager, $115.5 million, 135,000 SF, Non-Vanir Project. (Completed 2021)

Allan Hancock Joint Community College District, Public Safety Complex, Lompoc, CA. Project Engineer, $46.1 million, ~100,000 SF, LEED Silver certified, Non-Vanir Project. (Completed 2014)

Escondido Police and Fire Headquarters, Escondido, CA. Contract Supervisor, $65 million, 115,371 SF, New Construction, Multi-Prime, Construction Management Services, Non-Vanir Project. (Completed 2010)

JON MURPHY, PSP | 8+ YEARS WITH VANIR, brings over 20 years of experience including scheduling, estimating, constructability reviews, and building information modeling (BIM). His responsibilities include producing monthly schedule update reviews submitted by contractors for conformance to contract requirements on multiple projects. His experience includes the development of master schedules, cash flow analysis, Constructware implementation, and the use of NavisWorks to provide real-time schedule visualization through the integration of 3D design models with 4D schedule simulations.

Education
Bachelor of Science, Construction Management, California State University, Fresno

Certifications
Construction Management Association of America (CMAA), Construction Manager-in-Training (CMIT)

20+
AEC Industry Experience

28
DB/PDB Projects

As **Senior Scheduler,** Jon will develop, maintain, and analyze the master project schedule through procurement, design, construction, and closeout. He will provide independent review of the Design-Build Entity's schedules, monitor critical path activities, evaluate schedule risks, track progress, identify potential delays, and recommend corrective actions. Jon will also support schedule coordination among project stakeholders and prepare schedule updates and performance reports to help ensure timely project delivery.

City of Pismo Beach, Public Safety Facility, Pismo Beach, CA. Senior Scheduler, $46 million, 34,392 SF, New Construction, Design-Build, Owner's Representative Services. (08/2023-11/2025)

County of San Diego, Youth Transition Campus, San Diego, CA. Senior Scheduler, $210.5 million, 200,000 SF, LEED Gold Certified, Design-Build, Construction Management Services. (12/2019-01/2024)

San Diego County, East County Crisis Stabilization Unit, El Cajon, CA. Scheduler, $29 million, 15,000 SF, Renovation/New Construction, Design-Build, Project and Construction Management. (11/2021-01/2025)

Orange County, Juvenile Hall Facility, Orange, CA. Senior Estimator, $120+ million, 88,000 SF, New Construction, Design-Build, Project/Construction Management Services. (01/2024-est. 01/2028)

City of Atascadero, New Public Safety Building, Atascadero, CA. Scheduler, $22 million, 30,000 SF, New Construction, Design-Build, Construction Management and Bridging Architectural Services. (10/2023-est. 10/2027)

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Education

Master of Science, Civil Engineering, Pahlavi University, Iran

Undergraduate Studies, Construction Management, San Jose State University

Certifications

American Society of Professional Estimators (ASPE), Certified Professional Estimator (CPE)

The National Council of Examiners for Engineering and Surveying (NCEES), Engineer-in-Training (EIT)

46+
AEC Industry Experience

120+
DB/PDB Projects

BEN SABATI, CPE, EIT | 37+ YEARS WITH VANIR, brings over 46 years of construction estimating and value engineering experience. He has provided approximately $6 billion of cost estimating/cost control services on criminal justice, educational, healthcare, transportation, and infrastructure/utility projects. His responsibilities have included a wide variety of condition assessment and cost-related activities, including take-off, pricing, budgeting, purchasing, constructability review, value engineering, and bidding.

As **Senior Estimator,** Ben will provide independent cost estimating, cost validation, and budget oversight services throughout all phases. He will review and validate the Design-Build Entity's cost models, assumptions, contingencies, allowances, GMP proposals, change orders, and payment applications; prepare independent estimates and benchmarking analyses; and evaluate cost impacts related to design development, phasing, unforeseen conditions, and schedule changes. Ben will also support value analysis, risk assessment, cash flow forecasting, and budget monitoring while coordinating closely with the County, Design-Build team, and project stakeholders to help maintain alignment with project budget objectives and BHCIP funding requirements.

CA Department of General Services, Jesse Unruh Building Renovation, Sacramento, CA. Senior Estimator, $160 million, 171,000 SF, Renovation, Progressive Design-Build, Project/Construction Project Management Services. (11/2021-01/2025)

County of San Diego, Youth Transition Campus, San Diego, CA. Senior Estimator, $210.5 million, 200,000 SF, LEED Gold Certified, Design-Build, Construction Management Services. (12/2019-01/2024)

County of Los Angeles ISD, San Quentin Central Health Services Building, San Quentin, CA. Senior Estimator, $136 million, 135,000 SF, New Construction, Design-Build, Project Management Services. (08/2006-11/2009)

Orange County, Juvenile Hall Facility, Orange, CA. Senior Estimator, $120+ million, 88,000 SF, New Construction, Design-Build, Project/Construction Management Services. (01/2024-est. 01/2028)

San Luis Obispo County, San Luis Obispo Co-Located Dispatch Center, Templeton, CA. Senior Construction Manager, $25 million, 18,000 SF, New Construction, Design-Build, Project and Construction Management Services. (04/2018-10/2023)

Local Team Presence

Vanir's San Luis Obispo office is located just **30 miles from the North County CRT Facility site**, providing immediate access and local project support. Several staff members live within **50 miles** as highlighted to the left, ensuring rapid responsiveness and strong regional familiarity from your team.

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Section 4: Experience of Proposer

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SECTION 4

EXPERIENCE OF PROPOSER

Kern County, Behavioral Health and Recovery Services Psychiatric Health Facility

Vanir's Experience

BEHAVIORAL HEALTH EXPERTISE BACKED BY 250+ PROJECTS NATIONWIDE

Since 1980, Vanir has delivered more than 250 behavioral health and healthcare projects totaling over $500 million, bringing industry-leading best practices, lessons learned, and national insight into current trends in behavioral health design, operations, and construction. We understand the operational realities facing behavioral health patients, clinicians, caregivers, and administrators, and we deliver project strategies that ensure safety, clinical continuity, and therapeutic environments throughout construction. Drawing on more than four decades of experience, Vanir is trusted by clients to deliver facilities that support individuals with complex behavioral and mental health needs. From inpatient psychiatric units and crisis stabilization centers to treatment-focused residential and custodial facilities, we help agencies expand capacity, enhance safety, and improve outcomes for the populations they serve. The following projects highlight Vanir's relevant mental and behavioral health experience, Progressive Design-Build expertise, and effective agency coordination that will support the successful delivery of the North County Crisis Residential Treatment Facility Project.

Kern County, Behavioral Health and Recovery Services, Psychiatric Health Facility

Dates: 2021 - 2024
Cost: $25 million
Vanir's Role: Master Architect & Construction Management
Proposed Staff: Scott Murphy

Scope: The County engaged Vanir to lead one of its first Design-Build projects, a significant step in adopting this alternative project delivery method. Vanir provided master architect and construction management services for Kern County, guiding them through developing comprehensive procedures, standards, and best practices tailored to Design-Build, ensuring alignment among stakeholders and efficient project execution.

The locked building provided a safe and secure environment for adults and minors who are experiencing an acute psychiatric crisis. The project included a 16-bed adult impatient locked facility and a 16-bed adolescent inpatient locked facility. The building incorporates modern design concepts that promote recovery and wellness and provide connectivity to nature through natural light, window views and landscaping. The design also promotes a residential ambiance and strives to minimize the institutional features typically associated with a locked psychiatric unit.

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CA Department of State Hospitals, Atascadero State Hospital

Dates: 2021 - Ongoing
Cost: $200+ million
Vanir's Role: Construction Management
Proposed Staff: Scott Murphy, Roy Magdaleno, Robert Lade

Scope: As a subconsultant to J.C. Chang Associates, Vanir provided program, project and construction management services to the Department of State Hospitals (DSH) at six locations: Atascadero, Coalinga, Metropolitan, Napa, Patton and administration at Sacramento. Each facility included boiler, elevator and utilities systems repairs to campus-wide roof and air handler replacement and new building construction. Projects at Atascadero included eismic upgrades, demolition and removal; construction of several new rooms and suites; structural, mechanical, plumbing, AFS and electrical modifications; and construction of a new multipurpose building that consolidates treatment space.

Merced County, Behavioral Health and Recovery Services Center

Dates: 2016 - 2018
Cost: $24 million
Vanir's Role: Construction Management
Proposed Staff: Roy Magdaleno

Scope: Vanir provided construction management services for the renovation of Merced County Hospital, delivered via Design-Build, which had been vacant for several years. The goal of the project was to transform a sterile hospital environment into a bright, warm and welcoming place to serve those suffering from mental health issues. The new Merced County Behavioral Health and Recovery Services (BHRS) Center is a collaboration among six counties: Calaveras, Madera, Mariposa, Merced, Stanislaus and Tuolumne. The project involved interior demolition to a majority of an existing three-story building. New construction was performed for the interior of the facility and envelope improvements were made to the exterior. The project included site work improvements as well.

Kings County, Behavioral Health Facility

Dates: 2023 - 2024
Cost: $10 million
Vanir's Role: Construction Management
Proposed Staff: Roy Magdaleno

Scope: The Kings County Human Services Agency (HSA) and Behavioral Health Services (BHS) Administration Office Building remodel project consists of a Lease-Lease Back contract with a local developer purchasing the Old Hospital building that was slated to be demolished, and now will be remodeled into a fully functioning administration building that will provide much needed space for two growing departments. The three-story building is approximately 44,000 GSF which will require abatement and demolition, structural components, framing, drywall, electrical, low voltage, painting, flooring, tiling, acoustical ceiling, roofing, HVAC, plumbing, and all other components for a complete remodel as well as bringing the building up to current code compliance.

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Kern County, Youth Crisis Stabilization Unit and Family Resource Center

Dates: 2025 - Ongoing
Cost: $18 million
Vanir's Role: Construction Management
Proposed Staff: Scott Murphy, Roy Magdaleno, Ben Sabati, Jon Murphy

Scope: Kern County hired Vanir as the project/construction manager for this new 15,000 SF Youth Crisis Stabilization and Family Resource Center delivered via Design-Build. The project, funded by BHCIP, includes a 16-bed secure 24-hour crisis stabilization unit that includes a large day room for recliners and secure outdoor spaces. Vanir is providing budget, schedule, procurement of the bridging architect and design-build team, and project/client management, construction management, and quality control.

CA Department of General Services, Porterville Developmental Center Residential Expansion and Recreational Complex

Dates: 2006 - 2009
Cost: $65 million
Vanir's Role: Design and Construction Management
Proposed Staff: Roy Magdaleno, Ben Sabati

Scope: Vanir provided design and construction management services for the 96-Bed Residential Expansion & Recreation Complex project to construct and provide infrastructure for future residential units. Project scope included, 6 each of 9,316 SF residential units totaling 55,896 SF, a protective services facility (10,000 SF), and a new (16,140 SF) recreational building. The 2,087 SF pool is fully ADA accessible and is covered with a patio area and concrete decking. A 665 SF building was constructed to house the pool equipment.

The site improvements included a new water well with a 500,000 gallon storage tank, perimeter fencing (14,000 linear feet), new sallyports, storm drainage retention ponds, and paved roads for access and perimeter security (11,400 linear feet). An emergency generator building (900 SF) with generator was constructed and several small existing structures were demolished.

CA Department of State Hospitals, Selma Behavioral Health Facility

Dates: 2023 - 2025
Cost: $13 million
Vanir's Role: Master Architect & Construction Management
Proposed Staff: Scott Murphy, Roy Magdaleno

Scope: The new, Design-Build Selma Wellness Center is a Mental Health Rehabilitation Center (MHRC) that can house up to 40 residents and features spaces for fitness, recreation, a library, and a gym that support recovery and wellness. It provides justice-informed psychosocial rehabilitation to individuals referred by the California Department of State Hospitals.

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CA Department of State Hospitals, Coalinga State Hospital

Dates: 2021 - Ongoing
Cost: $150+ million
Vanir's Role: Construction Management
Proposed Staff: Scott Murphy, Roy Magdaleno, Ben Sabati

Scope: In 2002, the State of California hired Vanir to oversee the construction of its new acute care psychiatric hospital, Coalinga State Hospital. At the time, this was the single largest general building construction contract. The facility provides housing and treatment for 1,500 patients offenders who are committed for health treatment under California's Sexually Violent Predator Act. As a result of our change order management through monitoring daily work activities and verifying all material invoices, the change order savings was approximately $3 million. The hospital is widely considered to be one of the most successful projects undertaken by the State's project management branch of the Department of General Services Real Estate Services division.

San Benito County, New Behavioral Health Center

Dates: 2019 - 2021
Cost: $12 million
Vanir's Role: Preconstruction Services and Construction Management
Proposed Staff: James Netz, Roy Magdaleno, Jon Murphy

Scope: Vanir has been instrumental in delivering the San Benito County New Behavioral Health Center project. Before Vanir was brought on to manage the project (at the end of bridging documents), it was suffering from numerous delays and cost overruns. Since coming on board, Vanir placed the project back on track and was the primary reason the County has realized nearly $2 million in savings from both the design and construction phases.

Yuba County, Mental and Medical Health Facility

Dates: 2022 - 2025
Cost: $21 million
Vanir's Role: Project and Construction Management
Proposed Staff: James Netz, Roy Magdaleno, Jon Murphy

Scope: The facility features a specialized housing unit with 12 beds designated for medical and mental health treatment, complemented by a custody station, dayrooms, and secure support areas. The treatment zones consist of medical exam and treatment rooms, a radiology and dental clinic, interview and group counseling rooms, as well as classroom and vocational training spaces. Additionally, office and administrative functions, waiting areas, vocational laundry, and MEP support rooms are included. Vanir's responsibilities encompass the entire project lifecycle, including design coordination, schedule and budget management, quality control, and oversight of construction activities.

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MORE RELEVANT PROJECT EXPERIENCE

Behavior Health/Mental Health Facility Projects, California	Project Value	DB/PDB	$25 Million+	PMCM Services
Avenal State Prison, Five Behavioral Health Clinics	$17 million	●		●
California Health Care Facility	$906 million	●	●	●
California Institute for Men 50-bed Mental Health Crisis Beds Facility	$66 million			●
California Medical Facility 64-bed Mental Health Crisis Beds Facility	$40 million			●
California Men's Colony 50-bed Mental Crisis Beds Facility	$50 million			●
CDCR DeWitt Nelson Correctional Complex	$188 million	●	●	●
CDCR Prison Healthcare Facility Improvement Program (HCFIP)	$1.3 Billion		●	●
CDCR San Quentin Rehabilitation Center	$191 million	●	●	●
Coalinga Acute Care Psychiatric Hospital	$314 million		●	●
County of Alameda Santa Rita Jail – Americans with Disabilities Act Phase I	$24 million			●
County of San Diego Edgemoor Acute Psychiatric Hospital	$28 million		●	●
County of San Diego Youth Transitional Campus	$210 million	●	●	●
Department of State Hospitals, Patton State Hospital Enhanced Treatment Program	$4 million			●
El Dorado County Juvenile Hall Replacement	$15 million	●		●
El Dorado County Placerville Jail Addition	$25 million	●	●	
El Dorado County South Lake Tahoe Juvenile Treatment Center	$6.3 million			●
Glenn County Orland Youth & Family Behavioral Health Center	$17.2 million	●		●
Imperial County Public Works Behavioral Health SUD Treatment Facility	$16 million (est.)	●		●
Imperial County Behavioral Health Services El Centro Outpatient Clinic	$33 million	●	●	●
Kern County Behavioral Health and Resource Services, Psychiatric Health Facility	$21 million	●		●
LA County Consolidated Correctional Treatment Facility	$1.74 billion	●	●	●
Las Colinas Detention and Reentry Facility	$221.5 million	●	●	●
Maryville Behavioral Health Hospital	$59.5 million		●	●
Merced County Behavioral Health & Recovery Services Center Tenant Improvement Project	$31 million		●	●
Porterville Developmental Center (Various Projects)	$79 million		●	●
San Benito County Behavioral Health Center	$14 million	●		●
San Diego County East County Crisis Stabilization Unit	$29 million		●	●
San Quentin State Prison Central Health Services Building	$136 million	●	●	●
Tri-County Juvenile Rehabilitation Facility	$15 million	●		●
Yuba County Medical Mental Health Facility	$14.7 million	●		●
Yuba Tri-City Healthcare District New Mental Health Facility	$30 million		●	

DESIGN-BUILD AND PROGRESSIVE DESIGN-BUILD EXPERIENCE

Vanir has extensive experience supporting Progressive Design-Build projects for public agencies and understands the collaborative processes required to successfully navigate both Phase 1 (Validation and Design) and Phase 2 (Final Design and Construction). Our role is to help the County maintain alignment among program requirements, budget, schedule, quality objectives, and operational needs while preserving the flexibility that makes Progressive Design-Build an effective delivery method.

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OUR TEAM'S ADDITIONAL RELEVANT EXPERIENCE

The following matrix highlights Vanir's additional experience with aspects and tasks that will be required of the North County CRT Facility Project along with an overall understanding of the project needs. Each example reflects challenges we have successfully resolved for clients with similar goals, priorities, and project conditions.

Relevant Project Topic	Relevant Projects	Relevant Personnel
Design-Build (DB)and Progressive Design-Build (PDB) Projects Vanir has managed over 160 DB/PDB projects with a total value of over $8.5 billion.	• California Health Care Facility • Tulare County Sheriff's Department Evidence & Forensics Facility • Avenal State Prison, Five Behavioral Health Clinics • CDCR, San Quentin Rehabilitation Center	Scott Murphy Roy Magdaleno Ben Sabati
Community Workforce Agreement (CWA) Compliance Vanir has extensive experience overseeing CWA and PLA compliance.	• Santa Barbara County, Santa Claus Lane Beach Access and Streetscape Improvements • Santa Barbara County, Tajiguas Sanitary Landfill Groundwater Protection System Phase IVA Project • Santa Barbara County, Probation Department Headquarters • Kings County Jail Phases II & III • California Health Care Facility	Scott Murphy Roy Magdaleno Robert Lade Lilia Villalpando-Ruvalcava Jon Murphy Ben Sabati
Net Zero / Sustainable Design Vanir has managed LEED-certified and Net Zero-ready facilities, including major state office and correctional projects.	• Madera Courthouse • SoCal Bakersfield Base • Clifford L. Allenby Building • California Natural Resources Headquarters • CARB Headquarters	Scott Murphy Roy Magdaleno Jon Murphy Ben Sabati
Collaboration with the BSCC Vanir has completed over 190 adult and juvenile detention facilities alone reaching a construction value of $2.5 billion.	As all detention facilities require collaboration with the BSCC, most recent include: • Kings County Jail Expansion Phase 2 & 3. • Kings County Juvenile Detention • Tulare County South County Detention Facility • Madera County Courthouse	Scott Murphy Roy Magdaleno Robert Lade Lilia Villalpando-Ruvalcava Jon Murphy Ben Sabati
Collaboration with STV, Inc. Vanir has extensive experience collaborating adjacent contractors, including STV, Inc.	• RISE Illinois Department of Corrections (IDOC): Rehabilitation and Restoration Inside Safe Environments (STV is a sub) • Austin Independent School District (Vanir/STV Joint Venture)	Jon Murphy
Utility Coordination and Infrastructure Vanir has led multiple public safety projects involving off-site utility coordination, secure tie-ins, and phased infrastructure sequencing.	• San Benito County Jail • California Health Care Facility • Tulare County South County Jail • Kern County Psychiatric Health Facility	Scott Murphy Roy Magdaleno Jon Murphy Ben Sabati
Risk Management and Mitigation Vanir has implemented formal risk management processes on many complex correctional projects.	• Kings County Jail Phases II & III • North Kern State Prison • California State Association of Counties, Feasibility Study	Scott Murphy Roy Magdaleno Jon Murphy Ben Sabati

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Section 5: Proposed Work Plan, Time Schedule, and Workload

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SECTION 5

PROPOSED WORK PLAN, TIME SCHEDULE, AND WORKLOAD

Kings County, Behavioral Health Facility

Proposed Work Plan, Time Schedule, and Workload

Vanir's approach to project and construction management for the North County Crisis Residential Treatment Facility is centered on proactive coordination, disciplined project controls, transparent communication, and responsive leadership throughout all phases of project delivery. As the County's construction manager, we will support the project from Progressive Design-Build Entity (PDBE) procurement and preconstruction through construction, occupancy, and closeout, serving as the County's trusted advisor and advocate. Our team understands the importance of delivering a rehabilitation treatment facility that meets the County's operational, schedule, budget, quality, and sustainability objectives while maintaining alignment among stakeholders, regulatory agencies, and the PDBE.

MARKETING AND PROCUREMENT OF PDBE

Vanir's first responsibility is to market the project to well-qualified architects and general contractors who understand the unique requirements of behavioral health facilities and can form effective PDBE teams. Vanir's Central California team recently marketed two Progressive Design-Build projects for the Cities of Los Banos and Reedley, both of which attracted eight proposing PDBEs. This demonstrates Vanir's extensive industry relationships and our ability to attract highly qualified teams to pursue your project.

Once Statements of Qualifications (SOQs) are received, the focus shifts to selecting the right PDBE. There are many project-specific considerations to evaluate in order to identify the County's Critical Success Factors (CSFs), which will help guide the selection committee in determining the qualifications and attributes most important for project success. Vanir's Project Director (Roy Magdaleno) and Principal-in-Charge (Scott Murphy) will work closely with the County, leveraging decades of experience and lessons learned to support the PDBE selection process. During this phase, Vanir will also review BHCIP grant requirements and develop a master BHCIP schedule that identifies key reporting milestones, including cost reports, progress reports, and other grant compliance deliverables.

VALIDATION OF SCOPE, SCHEDULE AND RISK

During Phase 1, Vanir will support validation of project requirements both within and around the facility. This includes the numerous factors that must be considered in a crisis treatment facility, such as anti-ligature requirements, lighting, acoustics, security systems, and Net Zero and PPA solar integration, among others. Vanir will assist the County and PDBE with design development, review ongoing cost estimates, manage the PDBE's master schedule and design schedule updates, identify and track project risks (including the active jail on the property, environmental concerns, and schedule constraints), maintain the project risk register, coordinate with local Authorities Having Jurisdiction (AHJs) regarding the upcoming project, and facilitate stakeholder engagement.

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"Vanir CM provided outstanding project and construction support to the State management team during all phases of design and construction. From the time that this historic building was identified as a seismic retrofit candidate, Vanir CM was instrumental in keeping the project on track and on schedule."

– Ivan Chew, Project Manager, Professional Services Branch, Real Estate Services Division, Jesse Unruh Building Progressive Design-Build

It is critical during this phase to clearly define project requirements and County standards, discuss plans, expectations, and operational needs with North County Jail personnel, and coordinate with local utilities and other key stakeholders as needed.

DESIGN, SCHEDULE, AND BUDGET

Also during Phase 1, Vanir will work closely with the PDBE and County to develop the final project design. While the PDBE will lead the design effort, Vanir will verify that the design aligns with the County's CSFs and BHCIP grant requirements. Vanir will monitor the ongoing budget estimates provided by the PDBE and closely manage the design schedule to help ensure the project remains on track. Additional activities during this phase include identifying and scheduling long-lead items, establishing Community Workforce Agreement (CWA) documentation and conducting initial meetings, coordinating discussions regarding fixtures, furnishings, and equipment (FF&E), and developing the Construction Management Plan to define construction-phase processes and procedures.

CONSTRUCTION OVERSIGHT

During Phase 2, Vanir will provide comprehensive oversight of the project schedule, budget, quality, safety, and contract compliance. Our team will review schedule updates and construction progress, identify potential impacts to key milestones, facilitate issue resolution, and recommend corrective actions as needed. Particular attention will be given to coordinating the project's Net Zero objectives, PPA solar integration, permitting requirements, utility interfaces, environmental compliance, and operational readiness activities to support a seamless transition to occupancy and successful project closeout.

Vanir's work plan is structured to support the County's objectives for cost, schedule, quality, sustainability, and operational readiness throughout procurement, preconstruction, construction, and closeout. Through proactive risk management, disciplined project controls, and continuous coordination with the County, PDBE, regulatory agencies, and stakeholders, our team will help maintain alignment with project requirements and the targeted May 2029 occupancy date. The following work plan outlines the proposed phases, key tasks, deliverables, staffing assignments, and level of effort associated with each stage of project delivery.

CA Department of General Services, Jesse Unruh Building

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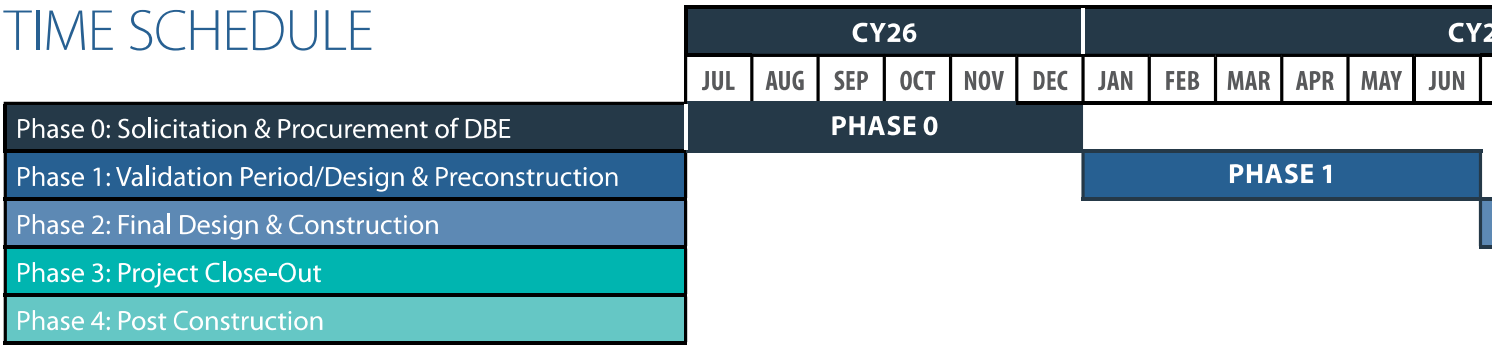
TIME SCHEDULE



PHASE 0 – SOLICITATION & PROCUREMENT OF DBE

(July 2026-December 2026)

The PDBE selection phase is critical to project success. During procurement and preconstruction, Vanir will support the County in establishing a clear and organized project delivery framework for the Progressive Design-Build process. Our team will market the project and assist with procurement coordination, review of design-builder deliverables, project budgeting, schedule development, constructability review, and stakeholder coordination. The County has several requirements within the project that must be met (Net Zero, CWA, environment concerns, etc.). We will utilize our experience and lessons learned with numerous PDB projects to work closely with the County and the selected PDBE to establish clear communication protocols, decision making procedures, and project controls early in the process to support efficient project execution.

Key tasks during this phase include:

- Support for Progressive Design-Build procurement activities
- Coordination with County staff and user groups
- Design review and constructability input
- Schedule development and milestone tracking
- Risk identification and mitigation planning
- Coordination of permitting and agency review requirements
- Document control and project reporting systems setup

Deliverables: Agenda for confidential meetings and final proposal presentations, scoring sheets for each PDBE team and other consultants as necessary, staging and phasing plan, RFI responses, and independent cost validation.

PHASE 1: VALIDATION PERIOD/DESI

(January 2027-June 2027)

Throughout the design and precon
coordination between the County,
Build team to support timely and in
monitor design progression against
assisting the County in evaluating d
and long-term facility goals. Vanir u
alignment between project scope,
constraints, and schedule commitm

Key tasks during this phase include

- Coordination and facilitation of de
- Monitoring design progression ag
- Independent cost estimating and
- Schedule monitoring and critical
- Review of constructability and ph
- Coordination with permitting and
- Tracking design decisions, action
- Support for County reporting and

Deliverables: Agenda and meeting
presentations, scoring sheets for ea
necessary, staging and phasing plan

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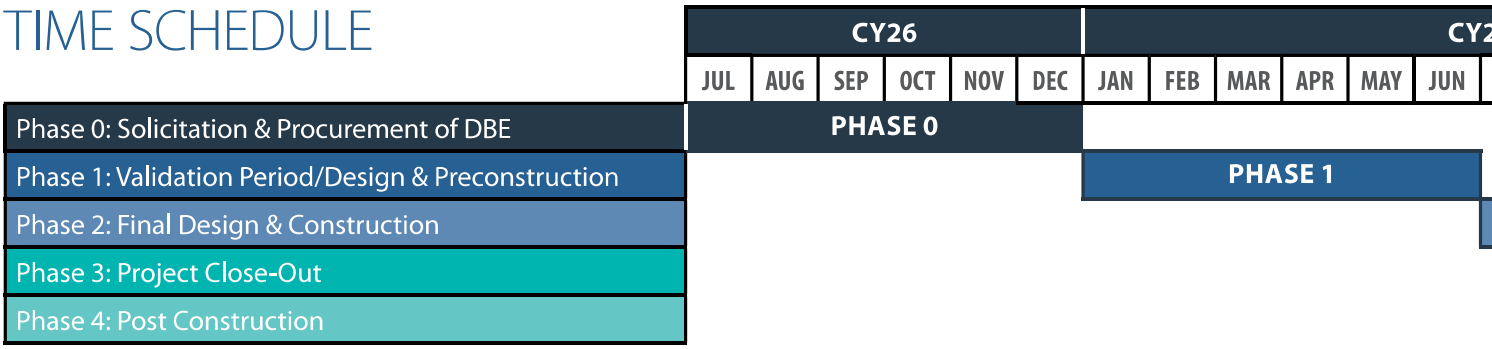
TIME SCHEDULE



PHASE 3: PROJECT CLOSE-OUT *(April 2029-May 2029)*

As the project approaches completion, Vanir will assist the County in coordinating closeout activities and transition to occupancy. Our team will work with the PDBE and stakeholders to support an organized turnover process and completion of all required closeout documentation. Vanir recognizes the importance of a smooth transition from construction to operations and will remain actively engaged through final completion to support the County's long-term operational success.

Key tasks during this phase include:

- Develop and implement procedures for start-up, testing, commissioning, and acceptance of work both individually, as well as complete systems
- Prepare schedule of close-out activities including check out and check off lists
- Prepare and distribute a keying schedule
- Track and verify punch list items are complete
- Provide final inspection report which shall include all deficiencies, a timeline to complete the work within the 30 calendar day requirement
- Vanir will assure the PDBE provides all project record drawings, operation and maintenance manuals, extra materials, warranties, and guarantees (digital and hard copy)
- All training shall be recorded either by the PDBE or Vanir. The recorded training sessions will be placed on the project management system, as well as a hard copy (USB drive) provided to the County.
- Vanir will schedule, coordinate, and supervise final tests, startup, and commissioning of all building systems
- Vanir will provide a final report of documentation to the County for final acceptance of the project
- Vanir will provide the record notices of completion
- Vanir will coordinate, schedule, and lead final closeout negotiations which include final payments, lien releases, and final change orders in order to closeout the project

Deliverables: Updated PMP to include processes and procedures for final closeout. Including start-up, testing, commissioning and CWA report, closeout activities schedule, keying schedule, final inspection report: deficiencies, punch list items, who's responsibility, timeline to complete the work within the required 30 days, and recorded trainings in digital and hard copy versions (as necessary).

PHASE 4: POST CONS

Vanir will complete t
which includes the r
knowledge) complie
requirements, and th

- Final completion r
results, commissio
O&M manuals
- Vanir will visit the p
warranty period ar
or corrections of sy
- Provide assistance
construction produ
- Provide support in
disputes.
- Provide a final writ
in accordance with
codes, BSCC findin

Deliverables: Final M
(commissioning, test

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Section 6: Resource Allocation and Responsibilities Matrix

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SECTION 6
RESOURCE ALLOCATION

Resource Allocation and Responsibilities Matrix

	RESPONSIBILITI
●	PRIMARY RES
●	SUPPORTING
○	INFORMATIO
-	NO INVOLVEM

PHASE 0: Solicitation and Procurement of PDBE

TASK 0.1: RFQ DEVELOPMENT AND PROCUREMENT PLANNING
0.1.1 Assist in developing and reviewing RFQ documents.
0.1.2 Support establishment of evaluation criteria, scoring methodologies, and procurement schedule consistent with a QBS pr
0.1.3 Support outreach and engagement to attract a competitive pool of qualified PDBE teams.
TASK 0.2: PROPOSAL EVALUATION AND SELECTION
0.2.1 Coordinate, track, and respond to proposer RFIs; prepare and distribute addenda as needed.
0.2.2 Participate in evaluation of SOQs; assist in shortlisting, development of interview materials, and evaluation tools.
0.2.3 Attend, facilitate, and document proposer interviews and presentations; Participate in scoring, ranking, and final selection
TASK 0.3: PHASE 1 NEGOTIATION AND TRANSITION
0.3.1 Assist the County in negotiation of the Phase 1 services agreement.
0.3.2 Support execution of the Phase 1 agreement and establish procedures to transition efficiently.

Phase 1: Validation Period and Design & Preconstruction Phase

TASK 1.1 CONTRACT ADMINISTRATION AND OVERSIGHT
1.1.1 Administer the Phase 1 PDB agreement as the County's representative for compliance with contract requirements and alig
1.1.2 Facilitate and document validation activities to confirm program, scope, budget, schedule, site conditions, and key projec
1.1.3 Review and validate PDBE assumptions, cost models, contingencies, and proposed construction approach.
1.1.4 Monitor and manage project budget and schedule, including updates to cost estimates, value engineering, phasing strate
TASK 1.2: DESIGN MANAGEMENT AND COORDINATION
1.2.1 Manage the design phase, including coordination of design submittals, distribution to all stakeholders, consolidation of re coordinated log, and facilitation of resolution between PDBE, County, and reviewing agencies.
1.2.2 Attend, document, and distribute minutes for all design, coordination, and budget meetings; ensure timely follow-up on a
1.2.3 Coordinate RFIs, design clarifications, and stakeholder communications to ensure timely resolution and alignment among
TASK 1.3: PERMITTING AND ENTITLEMENTS
1.3.1 Coordinate and support permitting and entitlement efforts with all Authorities Having Jurisdiction (AHJs), including trackir comments, and identifying permitting requirements.
TASK 1.4: PROJECT CONTROLS AND DOCUMENTATION
1.3.2 Establish and manage a Project Management Information System (PMIS) for document control, workflow tracking, reporting, project records (RFIs, submittals, meeting minutes, cost data, design documents, etc.) are complete, current, and accessible to stak
1.4.1 Develop procedures, forms, and protocols to facilitate efficient transition to the construction phase.

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TASK 1.5: CONSTRUCTION READINESS AND EARLY WORK
1.5.1 Assist in development of construction staging, phasing, and site logistics plans, including coordination of access, laydown, ar
1.5.2 Support development and evaluation of early work packages, including scope definition, cost validation, and risk consider
1.5.3 Assist the County in procurement and selection of supporting consultants, including RFQ support and proposal evaluation
TASK 1.6: PHASE 2 READINESS SUPPORT
1.6.1 Support the County in evaluating the PDBE's Phase 2 proposal for Final Design and Construction, including review of scop assumptions, contingencies, and risk allocation; provide independent recommendations to support negotiations and final GMP

Phase 2: Final Design and Construction Phase

TASK 2.1: CONTRACT ADMINISTRATION AND OVERSIGHT
2.1.1 Support the County in negotiation and execution of the Phase 2 amendment by reviewing and validating the PDBE's prop schedule, assumptions, allowances, contingencies, and risk allocation; provide independent cost and schedule analysis and rec
2.1.2 Administer and enforce the Design-Build contract as the County's representative, interpreting contract requirements, mon on rights and obligations, and issuing formal communications such as Notices to Proceed, including phased or early work pack
2.1.3 Provide a Community Workforce Agreement (CWA) Coordinator to monitor compliance with labor requirements
TASK 2.2: ON-SITE MANAGEMENT AND OBSERVATION
2.2.1 Provide full-time, on-site CM staffing appropriate to project size and complexity, including daily observation of work.
2.2.2 Conduct pre-construction and weekly progress meetings; prepare agendas, document discussions and decisions, track ac
2.2.3 Observe, monitor, and coordinate construction activities in accordance with the master project
TASK 2.3: PROJECT CONTROLS AND REPORTING
2.3.1 Establish, maintain, and manage a comprehensive project management information system (PMIS).
2.3.2 Review, analyze, and monitor PDBE construction schedules, critical path activities, phasing, and sequencing.
2.3.3 Monitor overall project budget, including commitments, expenditures, contingencies, and forecasted costs; perform mon performance analyses; provide cash flow projections, cost reports, and corrective recommendations.
2.3.4 Review and process PDBE payment applications, change orders, submittals, RFIs, and shop drawings for completeness, co cost/schedule impact. Prepare independent cost estimates and recommendations.
2.3.5 Identify, document, and evaluate claims, unforeseen conditions, delays, and potential risks.
TASK 2.4: SAFETY, ENVIRONMENTAL, AND QUALITY COMPLIANCE
2.4.1 Develop and implement a project-specific safety plan for all non-PDBE personnel accessing the site, including CM personn staff, and others; document and report safety violations, hazardous conditions, or incidents immediately to the County.
2.4.2 Support compliance with environmental permitting, mitigation measures, and Storm Water Pollution Prevention Plan for
2.4.3 Review and verify implementation of quality control, site logistics, phasing/staging, traffic control, temporary facilities, and
TASK 2.5: COORDINATION AND STAKEHOLDER MANAGEMENT
2.5.1 Coordinate/facilitate communication among project stakeholders (County staff, user groups, inspectors, consultants, utilit
2.5.2 Coordinate all on-site services and third-party contractors o ensure scheduled, documented, and compliant execution.
TASK 2.6: DOCUMENTATION AND RECORD KEEPING
2.6.1 Maintain current contract documents and coordinate development of record drawings with field changes, RFIs, approved
2.6.2 Document/manage unforeseen conditions reported by the PDBE, including investigation, communication, and recomme
2.6.3 Prepare/submit monthly progress reports summarizing budget, schedule, construction progress, safety, quality, risks, and

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TASK 2.7: OFFICE AND SUPPORT
2.7.1 Provide and pay for all necessary office equipment, materials, and supplies for a fully functioning CM jobsite office.
2.7.2 Provide sufficient access and training to all stakeholders for the project management system, ensuring proper use and do

Phase 3: Project Close-Out Phase

TASK 3.1: CLOSE-OUT PLANNING AND COORDINATION
3.1.1 Develop, implement, and maintain a comprehensive close-out plan, including schedules, procedures, and checklists.
3.1.2 Coordinate all inspections, testing, start-up, and commissioning of building systems and components; verify compliance.
3.1.3 Coordinate and facilitate final inspections with the PDBE, architects, inspectors, commissioning agents, County staff, and A
3.1.4 Oversee preparation of final punch lists, monitor completion, and ensure contract requirements for correction of deficienc
TASK 3.2: DOCUMENTATION AND REPORTING
3.2.1 Verify submission and accuracy of all required close-out documentation in both digital and hard copy formats, including r specifications, operation and maintenance (O&M) manuals, warranties, guarantees, permits, inspection records, and test results
3.2.2 Prepare a final project close-out report summarizing construction activities, cost and schedule performance, key issues, an
3.2.3 Prepare, coordinate, and process Notices of Completion and other required regulatory or contractual close-out document
TASK 3.3: TRAINING AND KNOWLEDGE TRANSFER
3.3.1 Coordinate PDBE-provided training for County personnel on building systems for completeness, accuracy, and adequate s
3.3.2 Record training sessions (if not included in PDBE scope), file in the project management system, and provide hard-copy m
TASK 3.4: FINAL FINANCIAL AND CONTRACT ADMINISTRATION
3.4.1 Review/process final payment applications for compliance with contract requirements, lien releases, warranties, and a clos
3.4.2 Support negotiation, reconciliation, and resolution of final change orders, claims, or outstanding contract issues.

Phase 4: Post-Construction Phase

TASK 4.1: FINAL REPORTING AND PROJECT RECORDS
4.1.1 Prepare and submit a comprehensive Construction Summary Report, documenting all project phases.
4.1.2 Organize, index, and deliver a complete project record archive, including contracts, correspondence, RFIs, submittals, char permits, inspection reports, and record (as-built) drawings, ensuring accessibility for future operations and maintenance.
TASK 4.2: WARRANTY AND PERFORMANCE MONITORING
4.2.1 Conduct periodic warranty inspections, including a formal inspection approximately eleven (11) months after Substantial
4.2.2 Maintain and track all warranty items, monitor PDBE responsiveness, and ensure timely resolution of warranty claims.
4.2.3 Assist in evaluating and resolving latent defects, operational issues, or system performance concerns that arise during the
TASK 4.3: CLAIMS, DISPUTES, AND OPERATIONS SUPPORT
4.3.1 Support the review, documentation, and resolution of outstanding claims, disputes, or stop notices; provide analysis/reco
4.3.2 Assist with the transition to full operations, verifying that all building systems are functioning as intended and that operati
4.3.3 Assist in coordination of post-occupancy evaluations or performance assessments, as requested by the County.
TASK 4.4: CERTIFICATION
4.4.1 Provide written certification to =County stating that, to the best of CM's knowledge, the Project was completed in genera Documents, approved changes, and applicable codes and regulations, without relieving other parties of their contractual respo

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"Because of the extensive budget controls and estimating work performed during design, coupled with marketing efforts, Vanir has ensured the award of the construction under budget."

– Mel Ramage,
Chief of Plant Operations,
Atascadero State Hospital
258-Bed Addition

COST MANAGEMENT

Vanir recognizes that effective cost management begins during Phase 1 of the Progressive Design-Build process and continues through construction and closeout. As the County's construction manager, we will provide independent review and validation of the PDBE's cost models, estimates, contingencies, assumptions, allowances, escalation factors, and GMP development to confirm alignment with project requirements and budget objectives. Through ongoing cost monitoring, change management, and budget forecasting, Vanir will provide the County with the information necessary to make informed decisions and maintain fiscal accountability throughout project delivery

Vanir has successfully provided independent cost validation and budget management services on numerous Design-Build and Progressive Design-Build projects for public agencies. Our experience includes reviewing cost models, validating GMP proposals, reconciling estimates, and evaluating contingency utilization to help owners maintain budget control while supporting informed decision-making throughout project delivery.

QUALITY MANAGEMENT

Vanir believes quality begins during preconstruction and is achieved through disciplined planning, continuous oversight, and proactive issue resolution. Our Quality Management Program establishes procedures for design reviews, constructability evaluations, document control, field verification, inspection coordination, issue tracking, and quality assurance throughout both design and construction. By maintaining a culture of quality from project validation through occupancy, Vanir helps minimize deficiencies, reduce rework, and support successful delivery of facilities that meet owner expectations for performance, functionality, and long-term operations.

Our quality management approach has been successfully implemented on complex public-sector projects, including the County of San Diego's Youth Transition Campus, Edgemoor Skilled Nursing Facility improvements, and ongoing behavioral health facility assignments. These projects required extensive coordination among owners, designers, contractors, inspectors, user groups, and specialty consultants while maintaining rigorous quality standards, schedule control, documentation management, field verification, and issue resolution throughout project delivery.

CHANGE MANAGEMENT

Vanir understands that timely evaluation and resolution of potential changes are critical to maintaining budget and schedule objectives. Our team provides independent review of proposed changes, contingency utilization, cost impacts, schedule implications, and supporting documentation to verify reasonableness and consistency with contract requirements. Through independent estimating, quantity reconciliation, unit price validation, and side-by-side comparison of proposed costs, we provide the County with the information needed to make informed decisions, effectively negotiate with the Design-Build Entity, and minimize the potential for disputes.

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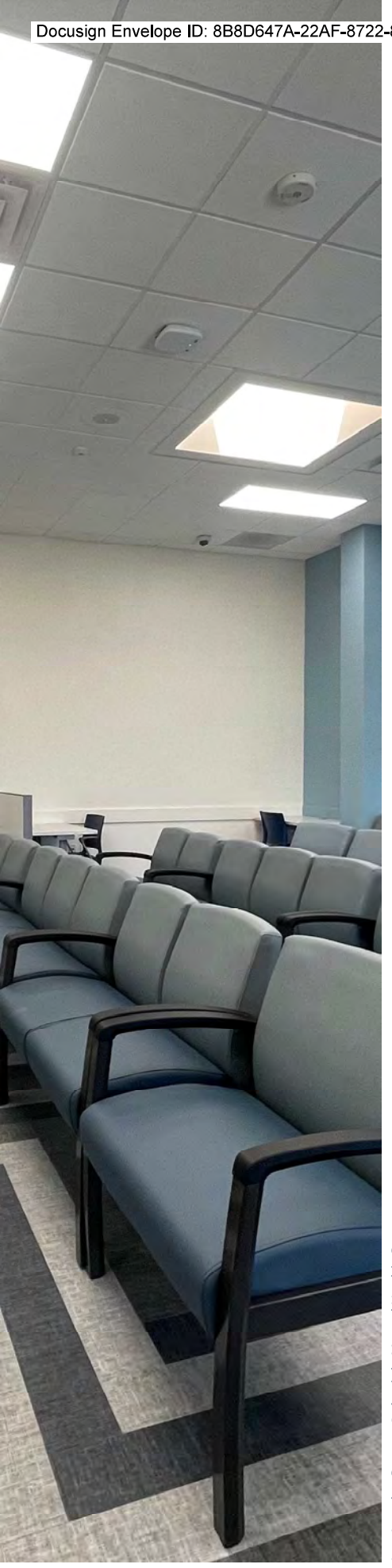

Los Angeles County, Palmdale Mental Health Center

Our proactive approach to change management has helped public agency clients control costs, avoid claims, and successfully close out complex projects. For example, Vanir recently assisted the County of San Diego with the financial closeout of Phase 1 of the Youth Transition Campus. Despite operational constraints associated with occupancy of the new facility and resequencing of remaining work, Vanir successfully expedited reconciliation of project accounting, resulting in more than $2 million in County savings through change order reconciliation and facilitating timely release of contractor retention and project closeout.

STAKEHOLDER COORDINATION

Vanir's approach to stakeholder coordination is both relationship-driven and procedure-driven. As an extension of the County's team, we will facilitate communication among County staff, behavioral health stakeholders, user groups, the PDBE, regulatory agencies, utility providers, and other project partners. Through regular meetings, clearly defined communication protocols, issue tracking, and transparent reporting, we will support timely decision-making, maintain alignment among project participants, and foster a collaborative environment focused on successful project delivery.

This collaborative approach has been successfully applied on complex public-sector and behavioral health projects requiring coordination among diverse stakeholder groups with varying priorities and operational requirements. By establishing clear roles, responsibilities, communication channels, and decision-making processes early in the project, Vanir helps build consensus, reduce conflicts, and maintain momentum throughout design, construction, occupancy, and closeout.

RISK MITIGATION

Vanir recognizes that effective risk management is essential to the successful delivery of the County of Santa Barbara's North County Crisis Residential Treatment Facility. We will implement a proactive and collaborative risk management process tailored to the project's Progressive Design-Build delivery method, schedule objectives, budget requirements, and operational needs. Our methodology centers on developing and maintaining a comprehensive Risk Management Plan supported by a detailed risk matrix that identifies potential events or conditions that could impact safety, schedule, cost, or quality objectives. This process is integral to Vanir's project management philosophy and is implemented from the earliest stages of preconstruction through final closeout.

Our team has successfully implemented structured risk management programs on large and complex public-sector projects where early identification and mitigation of cost, schedule, operational, and stakeholder risks were critical to project success. Through ongoing risk reviews, collaborative issue resolution, and transparent reporting, Vanir helps owners make informed decisions and proactively address challenges before they impact project outcomes.

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Risk and Mitigation Matrix

Risk Identification	Cost Risk Factor *(low, medium, high)*	Schedule Risk Factor *(low, medium, high)*	Mitigation Actions
Net Zero Construction	High	High	Early submittal schedule, early commissioning agent engagement, monthly verification of incorporation, monthly Net Zero meetings.
Tying new CRT building to existing utilities on County Jail site	Medium	Medium	Contractor/owner coordination understanding potential security risks, and milestone deadline.
Tying new construction power to new solar project infrastructure that is not in place	Low	Low	Keep open dialogue with Purchase Power Agreement (PPA)
Potential of endangered species	Low	Medium	Review endangered species during the earliest phase possible and come up with a plan for addressing or mitigating the issue.
Schedule completion by May 2029	Low	Low	With daily monitoring of the construction activities, monthly review of the contractor's schedule, any potential delays should be mitigated. Experience in detention facility is extremely helpful to identify the troublesome lessons learned needed to focus on certain items/areas.
Long lead items vs completion timeline	Low	Medium	Being that the scheduled construction duration is ample, this would only need monitoring of which items are long lead, and confirm the contractor is placing orders ahead of time.

"Vanir's services, which included programming, design assist, documentation for the State of California and construction management, helped to create and deliver a normative, home-like and trauma-informed facility that will meet the needs of our internal client and the broader community for the next 50-plus years."

– Steve Schmidt, MSEE, CFM, Deputy Director for Capital Construction, County of San Diego, Department of General Services

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Section 7: References for Past Performance

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SECTION 7

REFERENCES FOR PAST PERFORMANCE

County of San Diego, Youth Transition Campus

List of Past Performance and Service

Vanir provides comprehensive program, project, and construction management services across the full project lifecycle. Our integrated approach supports planning, design, procurement, construction, and closeout through disciplined control of scope, schedule, cost, and quality. We serve public and private sectors nationwide, and consistently rank as a top professional services firm in the U.S. Our services may be delivered as full program management or tailored staff augmentation to meet specific client needs across all delivery methods.

CORE SERVICES

PLANNING

- Bond Planning
- Program Management Plan
- Site Selection/Condition Assessment
- Feasibility Studies
- Master Planning
- Facility Assessments
- Design Brief/Conceptual Design
- Budget Development & Cost Analysis
- Renewable Energy & Sustainable Solutions
- Risk Assessments
- Project Approvals Process

DESIGN

- Building Information Modeling (BIM)
- Design Development
- Division 0 & 1 Development
- Critical Path Method (CPM) Schedule
- Cost Estimates
- Contractor Pre-Qualification
- Value Engineering
- Constructability Analysis
- Alternative Energy Analysis
- Construction Phasing Studies
- Agency Approvals

PROCUREMENT

- Prepare & Advertise RFQs/RFPs & Administer Procurement Processes
- Pre-bid Conference
- Evaluation of Bids
- Negotiations
- Recommend for Award
- Prepare Construction Contracts
- FF&E Management

CONSTRUCTION

- Construction Schedule
- Cost Controls
- Review/Monitor Submittals
- Construction Observation
- Project/Document Controls
- Inspection & Testing
- Claims Avoidance
- Quality Analyses
- Occupancy/Relocation

START-UP

- Commissioning
- Final Inspections
- Punch List
- Corrective Actions
- Notice of Completion
- Warranties & Guarantees
- Operating Manuals
- As-built Drawings
- Final Project Accounting

INDUSTRY PERFORMANCE & RANKINGS

#37 Engineering News-Record Top 50 Construction Management Firms
#2 Sacramento Business Journal Top Sacramento Area Construction Management Companies
#47 Engineering News-Record Construction Management / Project Management-for-Fee Firms
#2 Sacramento Business Journal Top Sacramento Area Minority-Owned Businesses
#3 Sacramento Business Journal Top Sacramento Area Women-Owned Businesses

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References for Past Performance

Our team has extensive experience successfully delivering construction of important public safety project. The following references highlight three comparable projects of our proposed Vanir team.

CENTRAL UNION ELEMENTARY SCHOOL DISTRICT (CUESD), NEUTRA ELEMENTARY SCHOOL MODERNIZATION

Summary of Services Provided

Vanir is overseeing all aspects of this project, including procurement, contract administration, and stakeholder coordination. This Progressive Design-Build project, the first of its kind for CUESD, is funded through a combination of State of California grants (20%) and the Department of Defense's Public Schools on Military Installations program (80%) and must comply with the Buy America, Build America Act. The scope includes a new classroom building with eight state-of-the-art classrooms, collaboration spaces, and restrooms, as well as a new multi-use building with a cafeteria, kitchen, utility spaces, and additional restrooms. Honoring the original design of renowned architect Richard Neutra, the new facilities are arranged in a semi-circle around a landscaped courtyard with outdoor seating for students and staff.

Reference

Tom Addington, Superintendent
Central Union Elementary School District
15783 18th Avenue
Lemoore, CA 93245
559-924-3405
taddingt@central.k12.ca.us

Reference's Role in This Project

Client/Owner

Vanir Staff Involved & Roles

Scott Murphy, Project Executive
Roy Magdaleno, Project Director
Robert Lade, Project Director

ATASCADERO STATE HOSPITAL 258-BED ADDITON, ENHANCED TREATMENT PROGRAM

Summary of Services Provided

Vanir provided project and construction management services for multiple capital improvement projects at Atascadero State Hospital, including a seismic upgrade to a critical campus corridor, renovation of patient housing units to support the enhanced treatment program, and construction of a new 44,700-SF multipurpose building. Performed within a secure, fully operational state hospital campus, the projects involved extensive structural, architectural, MEP, accessibility, site, utility, and security improvements. These efforts demonstrate Vanir's ability to successfully deliver complex healthcare and institutional projects while maintaining continuous operations and minimizing disruptions to staff and patients.

Reference

Randy Dye, Chief Plant Operations III
CA Department of State Hospitals
1215 O Street
Sacramento, CA 95814
805-468-2204
randy.dye@dsh.ca.gov

Reference's Role in This Project

Client/Owner

Vanir Staff Involved & Roles

Scott Murphy, Project Executive
Roy Magdaleno, Project Director
Robert Lade, Project Director

Docusign Envelope ID: 8B8D647A-22AF-8722-83CF-BB2408AE9733

KERN COUNTY,
PROJECT 1: PSYCHIATRIC HEALTH FACILITY
PROJECT 2: YOUTH CRISIS STABILIZATION UNIT AND FAMILY RESOURCE CENTER

Summary of Services Provided

Project 1 (left): The new Design-Build psychiatric health facility provides a safe and secure environment for adults and minors who are experiencing an acute psychiatric crisis. The project included a 16-bed adult impatient locked facility and a 16-bed adolescent inpatient locked facility.

Project 2 (right): The new 15,000 SF, BHCIP-funded Youth Crisis Stabilization and Family Resource Center, which is also a Design-Build project, includes a 16-bed secure 24-hour crisisstabilization unit with a large day room for recliners and secure outdoor spaces. The family resource center will offer outpatient counseling, case management, and resource referrals to youths 18 and under. Completion is estimated December 2026.

Reference

Robin Taylor, Deputy Director
Kern County Behavioral Health and Recovery Services
2001 28th Street, North Tower,
Bakersfield, CA 93301
661-868-7362
rctaylor@kernbhrs.org

Reference's Role in This Project

Client/Owner

Vanir Staff Involved & Roles

Scott Murphy, Project Executive
Roy Magdaleno, Project Director
Jon Murphy, Senior Scheduler
Ben Sabati, Senior Estimator

Performance You Can Measure. Facilities You Can Be Proud Of.

Vanir measures success through the outcomes our clients experience: predictable costs, reliable schedules, and visibility into project risks at the right time. This means embedding risk management, milestone accountability, funding-interface planning, environmental awareness, and operational readiness into a project delivery framework designed to maintain momentum and support informed decision-making. Our clients routinely recognize our responsiveness, communication, and commitment to protecting public resources while delivering lasting community value. The result is not simply a completed project, but a facility, program, or essential community asset that owners are proud to occupy, operate, and build upon.

This commitment to successful project outcomes has resulted in a 93% repeat-client rate, reflecting the trust, long-term partnerships, and consistent performance Vanir has delivered for public agencies throughout California.

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Section 8: Deliverables

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SECTION 8
DELIVERABLES

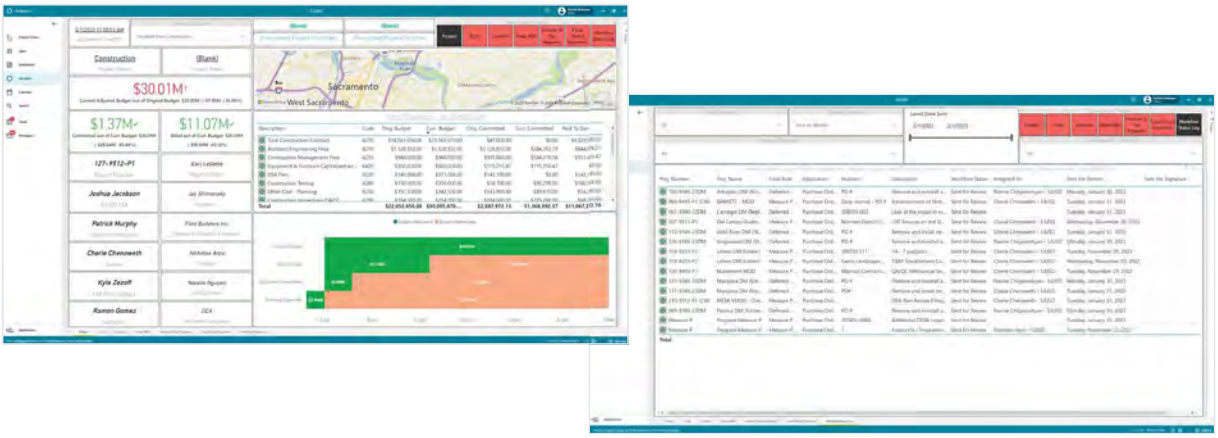
Napa County, Re-entry Facility

Deliverables

Vanir has various software programs that we utilize in order to deliver successful construction management projects. To provide the deliverables to Santa Barbara County, we utilize the following software:

- AUTOCAD
- Office
- BLUEBEAM A NEMETSCHEK COMPANY
- PROCORE

a. CAD drawings in AutoCAD
b. 3D models in Revitt (version 2022)
c. Word documents in Microsoft Word
d. Spreadsheets in Microsoft Excel
e. Schedules in Microsoft Project
f. PDF or Bluebeam Writer
g. Databases as necessary for compiling, storing, and accessing the project records in a commonly available format
h. Web-based project management



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Section 9: Cost Proposal

Docusign Envelope ID: 8B8D647A-22AF-8722-83CF-BB2408AE9733

SECTION 9
COST PROPOSAL

Merced County, Behavioral Health and Recovery Services Center

Cost Proposal

Vanir's cost proposal has been submitted in a separate file on Public Purchase. It is identified as "Vanir-CM Services North County CRT Facility No. 25116" and is labeled "Sealed Cost Proposal." Per the RFQ/P, the cost proposal is not included in the page count limit.

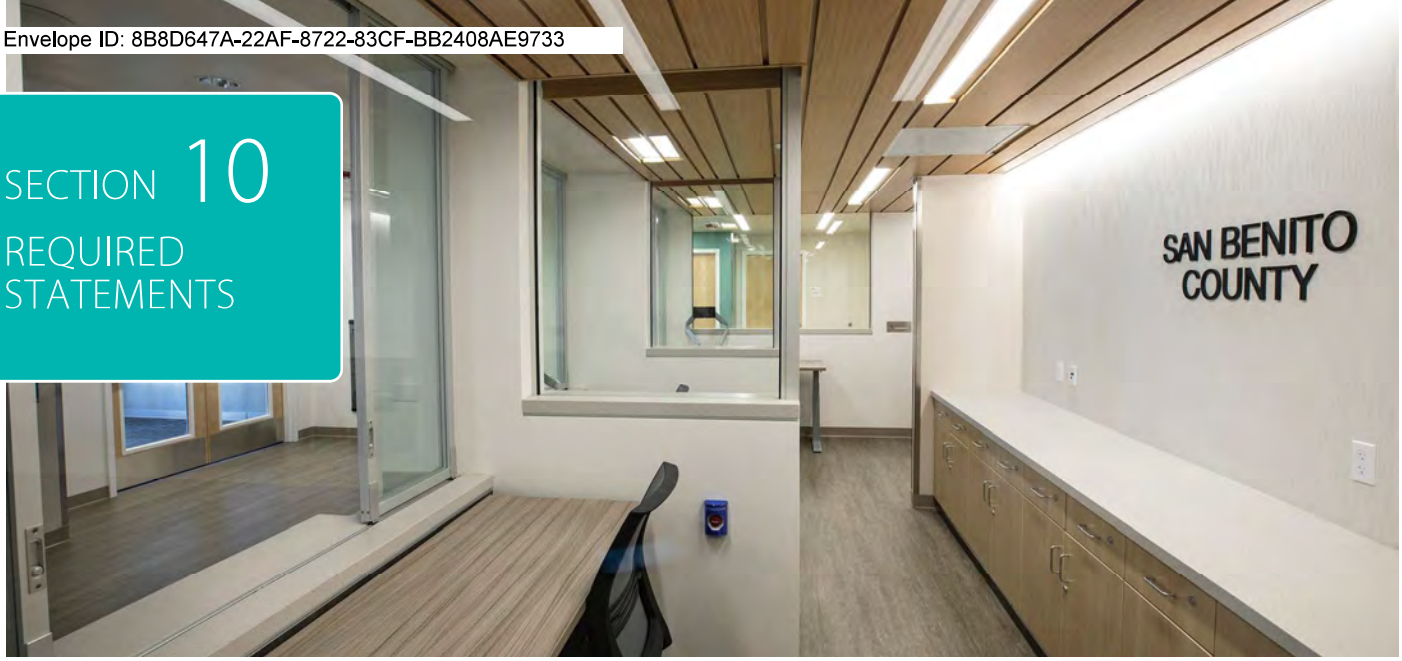
Docusign Envelope ID: 8B8D647A-22AF-8722-83CF-BB2408AE9733

Section 10: Required Statements

Docusign Envelope ID: 8B8D647A-22AF-8722-83CF-BB2408AE9733

SECTION 10

REQUIRED STATEMENTS



San Benito County, Behavioral Health Center

Required Statements

Vanir has provided the required statements on the following pages for Santa Barbara County.

COMPLETED	STATEMENT *(NOT COUNTED TOWARDS THE PAGE COUNT)*
✔	Non-substitution for the designated members of the proposed staff members and subconsultants without the County's prior written approval in each instance.
✔	Non-conflict of interest
✔	Non-collusion affidavit
✔	Statement listing of litigation and/or claims related to past projects for the past ten (10) years
✔	Ability to fulfill the indemnification and insurance requirements contained in Exhibit D of the Agreement (see additional note). Please note that actual certificates of insurance are not required as part of the submittal.
✔	Proof of DIR Registration and County Vendor Registration
✔	Retention of Proposal

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Vanir Construction Management, Inc.
735 Tank Farm Road, Suite 230
San Luis Obispo, CA 93401
T 805-541-1425
F 805-541-1940
vanir.com

Non-substitution for the designated members of the proposed staff members and subconsultants without the County's prior written approval in each instance.

DATE: June 4, 2026

CLIENT: County of Santa Barbara, General Services Department, Capital Projects Division

PROJECT: Construction Management Services: North County Crisis Residential Treatment Facility – County Project No. 25116

Vanir acknowledges that we are not to substitute designated members of the proposed staff members without the County's prior written approval in each instance.

Sincerely,

Jerry Avalos, President
Vanir Construction Management, Inc.

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T 805-541-1425
F 805-541-1940
vanir.com

Non-Conflict of Interest

DATE: June 4, 2026

CLIENT: County of Santa Barbara, General Services Department, Capital Projects Division

PROJECT: Construction Management Services: North County Crisis Residential Treatment Facility – County Project No. 25116

Vanir hereby warrants and covenants that no official or employee of the County, or any business entity in which an official of the County has an interest, has been employed or retained to solicit or aid in the procuring of the resulting Agreement and that no such person will be employed in the performance of such Agreement without the Vanir's prior written disclosure to the County of each such fact.

Further, Vanir is not currently committed to another project that would constitute a conflict of interest with the Project defined in this RFQ/P.

Sincerely,

Jerry Avalos, President
Vanir Construction Management, Inc.

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San Luis Obispo, CA 93401
T 805-541-1425
F 805-541-1940
vanir.com

Non-Collusion Affidavit

DATE: June 4, 2026

CLIENT: County of Santa Barbara, General Services Department, Capital Projects Division

PROJECT: Construction Management Services: North County Crisis Residential Treatment Facility – County Project No. 25116

Vanir hereby certifies and warrants that our proposal is made without any previous understanding, agreement, or connection with any person, firm, corporation, or other entity submitting a separate proposal for the same Project and is in all respects fair, without outside control, collusion, fraud or otherwise illegal action.

Sincerely,

Jerry Avalos, President
Vanir Construction Management, Inc.

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vanir.com

Statement listing of litigation and/or claims related to past projects for the past ten (10) years

DATE: June 4, 2026

CLIENT: County of Santa Barbara, General Services Department, Capital Projects Division

PROJECT: Construction Management Services: North County Crisis Residential Treatment Facility – County Project No. 25116

Vanir hereby certifies that all litigation and/or claims related for past projects for the last ten years are listed below:

Alliance of Schools for Cooperative Insurance Programs v. Western Alta Construction, Inc., et al.
Filed: April 30, 2019
Superior Court of California, County of Los Angeles
Case No. 19GDCV00539

This claim concerned the construction of a gymnasium for the South Pasadena Unified School District in which Vanir was hired to provide construction management services. The project was completed in May 2009. In March 2017, the gymnasium suffered water damage. The District filed a claim with Plaintiff for the repair of the facility. Plaintiff completed the repairs and as subrogee of the District, was seeking reimbursement against the Defendants for the damages caused to the District. Vanir denied all liability. Alliance ultimately amended the complaint and Vanir was dismissed from the case.

Shoshone-Bannock Tribes v. Vanir Construction Management, Inc.
Filed: February 27, 2023
Court: Shoshone-Bannock Tribal Court, Fort Hall Reservation, Civil Div.
Case No. 2023-CV-CM-0051

This claim relates to a casino expansion project for the Shoshone-Bannock Tribes. Shoshone contracted with Ormond Builders, Inc. for the construction of the project and two architect firms. After cost overruns and numerous disputes between the construction parties, the contract with Ormond was terminated and Ormond demanded an arbitration. The parties ultimately reached a confidential settlement. Shoshone then made a claim against the two architect firms, which has also been resolved. Then, on February 27, 2023, Shoshone filed a complaint against Vanir for alleged claims relating to the management of the project. Vanir denied all liability and successfully defended these claims to full defense verdict and judgment in Vanir's favor on February 25, 2025. On April 4, 2025, Vanir filed a federal lawsuit against Ormond and Big-D to enforce indemnification obligations owed from Ormond and Big-D to Vanir. After Vanir filed, Ormond moved to compel arbitration and Big-D joined in that effort. Vanir later settled with Big-D and the Federal court has now ruled in favor of Vanir and dismissed Ormond's motion to compel arbitration.

Docusign Envelope ID: 8B8D647A-22AF-8722-83CF-BB2408AE9733

Best Contracting Services, Inc. v. Colton Joint Unified School District; Action Sheet Metal; and Vanir Construction Management, Inc.
Filed: July 19, 2022
Superior Court of California, County of San Bernardino
Case No. CIVSB2209385

On May 6, 2022, Colton Joint Unified School District ("CJUSD") filed a complaint against Best Contracting Services, Inc. ("Best") alleging negligence-latent defect, breach of contract, breach of implied covenant to perform work in a good and competent manner. In March of 2012, CJUSD independently hired Best to complete sheet metal and roofing work at Grand Terrace High School. After the work was completed the school began experiencing a series of leaks and informed Best in 2016. Best attempted to fix the issue but the leaks continued. Best subsequently filed a cross complaint against CJUSD, Action Sheet Metal and Vanir. Vanir was the construction manager on the original project, but CJUSD independently hired Best to complete these particular repairs. Vanir did not perform any of the installation or repairs and denied all liability. The parties were able to ultimately resolve the issues as to Vanir.

City of Lemoore v. J.R. Filanc Construction Company, Inc.; Vanir Construction Management, Inc.; Zurich American Insurance Company; and Estate of Dion Jones, Deceased
Filed: August 1, 2022
Superior Court of California, County of Kings
Case No. 22C-0041

On February 10, 2022 the family of Dion Jones filed a complaint against the City of Lemoore alleging personal injury, property damage and wrongful death. In June 2021, while Mr. Jones was performing unpermitted welding work, there was an explosion of a water tank that resulted in the loss of his life. The deceased was an employee of J.R. Filanc, a subcontractor working on the City of Lemoore water tank project. The City then subsequently filed a cross complaint against the decedent's estate, J.R. Filanc, Vanir, and Zurich. Vanir was the construction manager of an adjacent City project and had no knowledge of the unpermitted welding being performed by J.R. Filanc and Mr. Jones. Vanir had been asked by the City to stand down on the water tank project, was not on site at the time of the incident, and was not provided with notice from any of the parties that the welding would occur. Vanir denied all liability. Because the welding was outside the scope of Vanir's work and it owed no legal duty to any of the parties involved in the unpermitted welding, Vanir filed a motion for summary judgment. Vanir's MSJ was granted in its favor in March 2026.

Border Coast Regional Airport Authority v. Danco Builders Northwest, Inc. and Vanir Construction Management, Inc., et al.
Filed: April 12, 2023
Court: Superior Court of California, County of Del Norte
Case No. CVUJ-2023-1099

On April 12, 2023 Del Norte County Border Coast Regional Airport Authority ("BCRAA") filed a complaint alleging a defect stemming from design and installation of a rain gutter and alleged water damage. BCRAA has brought claims against AECOM, the architect, Danco, the general contractor, and Vanir as the project manager. Vanir denies all liability as it was not engaged in the design, architecture, engineering, material selection, construction, and related approvals of the project. Despite the allegations, there still has not been a defined claim on any issue that Vanir contributed to the alleged damages. Rather, Vanir's role was limited to facilitating the pre-construction progress, meetings for same, and then continuing that work throughout construction – and all of this was dictated by the work orders that Plaintiff agreed to and defined Vanir's scope. Settlement discussions between all of the parties are on-going.

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Santa Monica Community College District v. QDG Incorporated
Filed: September 25, 2024
Court: Superior Court of California, West Judicial District, Santa Monica Courthouse
Case No. 24SMCV04665

On September 25, 2024, plaintiff, Santa Monica Community College District (SMCCD) filed a complaint against QDG Incorporated asserting claims for breach of contract, professional negligence, and express contractual indemnity arising out of alleged architectural design deficiencies in connection with a construction project. QDG subsequently filed a cross complaint against SMCCD, Vanir and other entities involved in the project. Vanir is filing an MSJ, as it did not contract with QDG, and expressly denies all allegations.

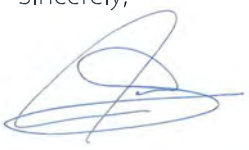
Janie Winning/Winning CM Strategies, LLC v. Vanir Construction Management, Inc., State of California, Department of Corrections and Rehabilitation
Filed: November 21, 2025
Court: Superior Court of California, Sacramento
Case No. 25CV028113

On November 21, 2025, plaintiff, a former subconsultant of Vanir's, filed a complaint against Vanir and its client, the State of California, Department of Corrections and Rehabilitation (CDCR) alleging breach of contract and other related claims. Plaintiff alleges that she was improperly removed from the project due to a conflict of interest with the client resulting in economic hardship and loss of future earnings with CDCR. These claims are without merit, and Vanir is defending the lawsuit while expressly denying all liability.

Luis E. Valle v. Richard Camacho et al.
Filed: April 30, 2026
Court: Superior Court of California, Los Angeles
Case No. 25STCV37281

On or about March 4, 2026, pro per plaintiff Luis E. Valle dba Valle Grand Construction, an asphalt and concrete contractor, alleges they were terminated from the Build LACCD Bond project, and specifically, for a project at Los Angeles Trade-Technical College (LATTC). Plaintiff alleges breach of contract, and a slew other off-the-wall and fabricated claims. Valle was a low bidder on a project, then failed to properly complete and submit required safety plan documents. Because of this, he was not granted a notice to proceed. While all of the claims are wholly without merit, as to Vanir, Valle has lodged breach of contract and labor code claims, which make no sense. Vanir was neither in contract with Valle, nor was he an employee. Vanir will file a demurrer to dispose of this completely unmeritorious claim.

Sincerely,



Jerry Avalos, President
Vanir Construction Management, Inc.

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Vanir Construction Management, Inc.
735 Tank Farm Road, Suite 230
San Luis Obispo, CA 93401
T 805-541-1425
F 805-541-1940
vanir.com

Ability to fulfill the indemnification and insurance requirements contained in Exhibit D of the Agreement

DATE: June 4, 2026

CLIENT: County of Santa Barbara, General Services Department, Capital Projects Division

PROJECT: Construction Management Services: North County Crisis Residential Treatment Facility – County Project No. 25116

Vanir hereby assures the County that it has the ability to fulfill the indemnification and insurance requirements contained in Exhibit D of the Agreement attached hereto and incorporated herein by reference.

Vanir notes that its standard claims-made coverage includes a three-year extended reporting period. Should the County require a five-year extended reporting period as specified in Exhibit D, any additional premium or underwriting costs associated with securing such coverage would be subject to negotiation and incorporated into the final contract fee.

We understand that actual certificates of insurance are not required by the County as part of our submittal.

Sincerely,

Jerry Avalos, President
Vanir Construction Management, Inc.

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T 805-541-1425
F 805-541-1940
vanir.com

Proof of DIR Registration and County Vendor Registration

DATE: June 4, 2026

CLIENT: County of Santa Barbara, General Services Department, Capital Projects Division

PROJECT: Construction Management Services: North County Crisis Residential Treatment Facility – County Project No. 25116

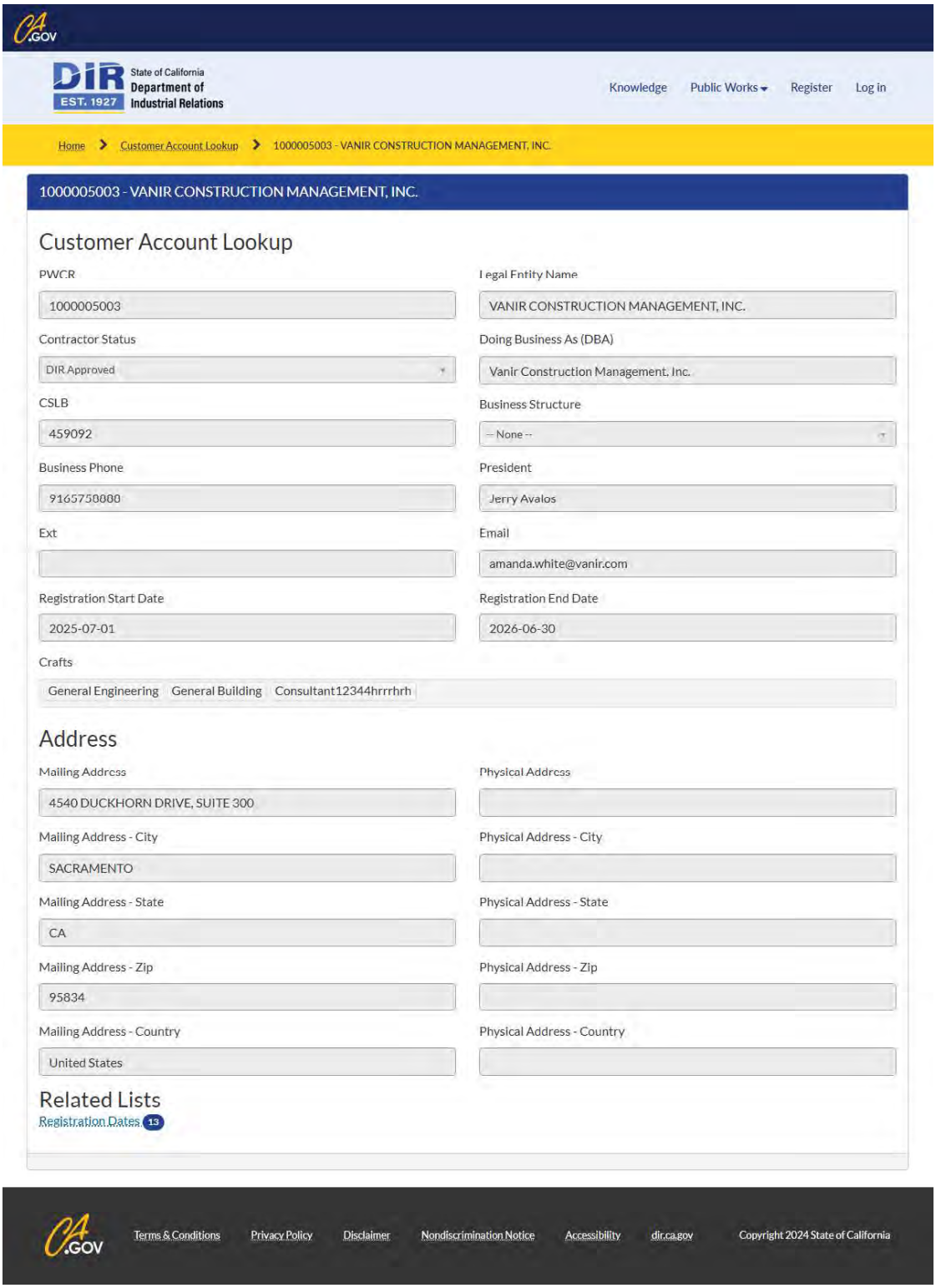
Vanir hereby provides on the following pages evidence of our DIR registration and County vendor registration.

Sincerely,

Jerry Avalos, President
Vanir Construction Management, Inc.

Docusign Envelope ID: 8B8D647A-22AF-8722-83CF-BB2408AE9733

DIR Registration



CA.GOV

DIR State of California Department of Industrial Relations EST. 1927

Knowledge | Public Works | Register | Log in

Home > Customer Account Lookup > 1000005003 - VANIR CONSTRUCTION MANAGEMENT, INC.

1000005003 - VANIR CONSTRUCTION MANAGEMENT, INC.

Customer Account Lookup

PWCR: 1000005003	Legal Entity Name: VANIR CONSTRUCTION MANAGEMENT, INC.
Contractor Status: DIR Approved	Doing Business As (DBA): Vanir Construction Management, Inc.
CSLB: 459092	Business Structure: -- None --
Business Phone: 9165750000	President: Jerry Avalos
Ext:	Email: amanda.white@vanir.com
Registration Start Date: 2025-07-01	Registration End Date: 2026-06-30

Crafts: General Engineering | General Building | Consultant12344hrrrhrh

Address

Mailing Address: 4540 DUCKHORN DRIVE, SUITE 300	Physical Address:
Mailing Address - City: SACRAMENTO	Physical Address - City:
Mailing Address - State: CA	Physical Address - State:
Mailing Address - Zip: 95834	Physical Address - Zip:
Mailing Address - Country: United States	Physical Address - Country:

Related Lists

Registration Dates 13

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County Vendor Registration

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Open Bids for County of Santa Barbara

You are registered with this agency.

California

County of Santa Barbara

Open Bids
Closed Bids

Title	Start Date	End Date	Time Left	Addendums
BID #1200007 - GS Procurement Services - Goods: Tajiguas Landfill Chemicals	May 15, 2026	May 29, 2026 2:00:00 PM PDT	2 days 3 hours	No Addendums
BID #3050004 - GS Procurement Services: Gases, Containers, Equipment: Laboratory, Medical, Welding	May 14, 2026	Jun 2, 2026 2:00:00 PM PDT	6 days 3 hours	No Addendums
RFP/RFQ #25116-1 - GS Capital Project: REQUEST FOR QUALIFICATIONS/PROPOSALS for CONSTRUCTION MANAGEMENT SERVICES for SBCo North County Crisis Residential Treatment Facility	Apr 24, 2026	Jun 4, 2026 4:00:00 PM PDT	8 days 5 hours	May 12, 2026
BID #3650003 - GS Procurement Services - Goods: Torque Resistance Tank Fitness Equipment	May 22, 2026	Jun 5, 2026 2:00:00 PM PDT	9 days 3 hours	May 26, 2026
RFP - 22039 PSRN Davidson Library UCSB	Apr 24, 2026	Jun 5, 2026 3:00:00 PM PDT	9 days 4 hours	Apr 30, 2026 Apr 30, 2026 May 15, 2026 May 26, 2026
RFP #8350009 - Comprehensive Employee Benefit Audit	May 13, 2026	Jun 9, 2026 2:00:00 PM PDT	13 days 3 hours	No Addendums
RFP ADDENDUM 2 #22024 - Santa Barbara Veterans Memorial Building	Apr 14, 2026	Jun 11, 2026 3:00:00 PM PDT	15 days 4 hours	Apr 23, 2026 Apr 24, 2026 Apr 28, 2026
RFP #8610002 - GS Procurement Services: RFP 8610002 Translation and Interpretation Services	May 18, 2026	Jun 17, 2026 2:00:00 PM PDT	21 days 3 hours	No Addendums

Customer Support: vendorsupport@publicpurchase.com | Copyright 1999-2026 © | The Public Group, LLC. All rights reserved.

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735 Tank Farm Road, Suite 230
San Luis Obispo, CA 93401
T 805-541-1425
F 805-541-1940
vanir.com

Retention of Proposal

DATE: June 4, 2026

CLIENT: County of Santa Barbara, General Services Department, Capital Projects Division

PROJECT: Construction Management Services: North County Crisis Residential Treatment Facility – County Project No. 25116

Vanir acknowledges that after submittal of the proposal, it will become the property of the County and will no longer be available to be returned to the Proposer.

Sincerely,

Jerry Avalos, President
Vanir Construction Management, Inc.

Docusign Envelope ID: 8B8D647A-22AF-8722-83CF-BB2408AE9733

Solutions for Success

VANIR
735 Tank Farm Road, Suite 230
San Luis Obispo, CA 93401
T 805-541-1425
F 805-541-1940

Docusign Envelope ID: 8B8D647A-22AF-8722-83CF-BB2408AE9733

ATTACHMENT 5

Vanir Construction Management, Inc.
Cost Proposal

Docusign Envelope ID: 8B8D647A-22AF-8722-83CF-BB2408AE9733

County of Santa Barbara
North County Crisis Residential Treatment Facility
PROPOSED FEE SUMMARY

DBE Solicitation (~6 months) (Jul 26' - Dec 26')

Type of Services		Base Proposal		Allowance		Grand Total
Project Management	$	113,060	$	-	$	113,060
Reimbursables	$	3,000	$	-	$	3,000
Pre-Construction Subtotal	$	116,060	$	-	$	116,060

Total of Phase 0 Services $ 116,060.00

Phase 1: Validation Period & Design (~6 months) (Jan 27' - Jun 27')

Type of Services		Base Proposal		Allowance		Grand Total
Construction Management	$	195,360	$	-	$	195,360
Reimbursables	$	3,000	$	-	$	3,000
Construction Subtotal	$	198,360	$	-	$	198,360

Total of Phase 1 Services $ 198,360.00

Phase 2: Final Design & Construction (~18 months) (Jul 27 - Dec 28')

Type of Services		Base Proposal		Allowance		Grand Total
Construction Management	$	1,524,680	$	-	$	1,524,680
Reimbursables	$	9,000	$	-	$	9,000
Construction Subtotal	$	1,533,680	$	-	$	1,533,680

Total of Phase 2 Services $ 1,533,680

Phase 3: Closeout & Post-Construction (~2 months) (Jan 29' - Feb 29')

Type of Services		Base Proposal		Allowance		Grand Total
Construction Management	$	110,106	$	-	$	110,106
Reimbursables	$	1,000	$	-	$	1,000
Closeout Subtotal	$	111,106	$	-	$	111,106

Total of Phase 3 Services $ 111,106

Grand total of ALL Phases (0-3): $ 1,959,206

dation Period & Design (~6 months)

2027											
Mar	Apr	May	Jun								
Design Phase											
9	10	11	12							Tot. Hrs	Total Cost
16	16	16	16							212	$ 56,180
40	40	40	40							516	$ 129,000
20	40	40	40							228	$ 51,300
2	2	2	2							36	$ 3,780
		80	80							160	$ 34,400
		80	80							160	$ 30,400
			16							16	$ 3,360
										0	$ -
ork will be covered by Robert Lade										$ -	$ -
$ 500	$ 500	$ 500	$ 500							$ 6,000	$ 6,000
$19,450	$23,950	$56,350	$59,710							1,328	**$ 314,420**

2028											
Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
			Construction Management								
21	22	23	24	25	26	27	28	29	30	Tot. Hrs	Total Cost
4	4	4	4	4	4	4	4	4	4	72	$ 19,849
12	12	12	12	12	12	12	12	12	12	216	$ 56,176
32	32	32	32	32	32	32	32	32	32	576	$ 134,823
4	4	4	4	4	4	4	4	4	4	72	$ 7,865
168	168	168	168	168	168	168	168	168	168	3,024	$ 676,361
168	168	168	168	168	168	168	168	168	168	3,024	$ 597,715
8	8	8	8	8	8	8	8	8	8	146	$ 31,891
Scope of work will be covered by Robert Lade										0	$ -
$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 9,000	$ 9,000
$ 84,342	$ 84,342	$ 84,342	$ 84,342	$ 86,857	$ 86,857	$ 86,857	$ 86,857	$ 86,857	$ 86,857	7,130	**$1,533,680**

										Tot. Hrs	Total Cost
										3	$ 843
										6	$ 1,591
										24	$ 5,729
										6	$ 668
										252	$ 52,133
										252	$ 46,786
										12	$ 2,355
										0	$ -
										$ 1,000	$ 1,000
										555	**$ 111,106**

DBE Solicitation (~6 months)	**$**	**116,060.00**
Phase 1: Validation Period & Design (~6 months)	**$**	**198,360.00**
Phase 2: Final Design & Construction (~18 months)	**$**	**1,533,680.16**
Phase 3: Closeout & Post-Construction (~2 months)	**$**	**111,105.51**
(Optional) On-Site Field Office	**$**	**-**
Grand Total CM only:	**$**	**1,959,205.67**

VANIR