

**COMMUNITY DEVELOPMENT BLOCK GRANT
AGREEMENT
BETWEEN
COUNTY OF SANTA BARBARA
AND
THE CITY OF GUADALUPE**

CFDA 14.218

THIS AGREEMENT (herein called the "Agreement") is made and entered into by and between the COUNTY of Santa Barbara (herein called the "COUNTY"), a political subdivision of the State of California, and the City of Guadalupe (herein called the "OWNER"), whose address is 918 Obispo Street, Guadalupe, CA 93434 and is made with reference to the following:

WHEREAS, the COUNTY has secured funding pursuant to the Community Development Block Grant program ("CDBG Funds") from the United States Department of Housing and Urban Development ("HUD") under Title I of the Housing and Community Development Act of 1974, as amended (HCD Act), Public Law 93-383 (42 U.S.C. §§ 5301 et seq.); and the regulations promulgated thereunder (24 CFR Part 570) ("Regulations"); and

WHEREAS, the OWNER represents that it has the skills, expertise, and all licenses and permits necessary to carry out the project described under this Agreement; and

WHEREAS, on July 27, 2012, HUD approved under the FY 2012-2013 Annual Action Plan the OWNER'S use of \$150,000, and on June 18, 2013, HUD approved under the FY 2013-14 Annual Action Plan the OWNERS's use of \$217,500 in CDBG Funds to carry out the project described in the Statement of Work attached hereto as Exhibit A and incorporated herein by this reference ("Statement of Work"), sometimes hereinafter referred to as the "Project"; and

WHEREAS, the COUNTY desires to make available to OWNER a grant of CDBG Funds in an amount not to exceed three hundred sixty seven thousand five hundred Dollars and No Cents (\$367,500) ("COUNTY Grant") to be used by OWNER to perform the work as stated and set out in the Statement of Work and to carry out the Project, as permitted by the HCD Act and the Regulations and according to the terms and conditions more particularly set forth herein; and

WHEREAS, OWNER'S use of CDBG Funds in carrying out the Project are eligible activities under 24 CFR Subpart C, §§ 570.200 et seq.;

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, it is agreed between the parties hereto that:

I. SCOPE OF WORK

A. General

All work stated and set out in the Statement of Work will be performed at 1025 Guadalupe St., Guadalupe, CA 93434, under the supervision of Andrew Carter, City Administrator, who shall ensure that the background and qualifications of the OWNER's staff, contractors and subcontractors performing the work stated and set out in the Statement of Work and carrying out the Project are

appropriate and, if applicable, meet the minimum standards established by pertinent licensing bodies.

B. Statement of Work

Under this Agreement, OWNER will carry out and invoice the County for reimbursement of expenses under the CDBG Program for the seismic retrofitting of the American Legion Hall, including pre-construction costs (appraisal fees, studies, permits, etc.), construction labor and materials, and project management/activity delivery. The American Legion Hall serves as the City of Guadalupe's only community center, which serves the low-income residents of the City. The Project meets one of the criteria under 24 CFR 570.208, specifically 24 CFR 570.208(a)(1), and also complies with one or more of HUD's National Objectives as required under 570.200(a)(2) by benefitting low- and moderate-income persons. The American Legion Hall serves as the City's community center and is used by residents for community activities and by non-profit organizations that serve these residents. The use of CDBG funds for the Project qualifies as an eligible activity under the Low Mod Area Benefit (LMA) as the Project will benefit an area where at least 51 percent (51%) of the residents are low- and moderate-income persons. The use of CDBG Funds for the Project will not exceed \$367,500.00. OWNER shall invoice the County for reimbursement under the CDBG Program. The Statement of Work includes the activities eligible under the Community Development Block Grant program as set forth in Exhibit A to this Agreement. OWNER will be responsible for performing the work stated and set out in the Statement of Work and carrying out the Project in a manner satisfactory to the COUNTY and consistent with all federal requirements and standards required as a condition of providing these CDBG Funds.

C. Staffing

Any changes in the staff who perform work under this Agreement must be approved in writing by the COUNTY. All of the work stated and set out in the Statement of Work shall be performed by OWNER or under OWNER's supervision. OWNER represents that it possesses, and that its contractors and subcontractors shall possess, the professional and technical personnel required to perform the work stated and set out in the Statement of Work required by this Agreement, and that it and its contractors and subcontractors will perform all work stated and set out in the Statement of Work in a manner commensurate with the highest professional standards. The OWNER and its contractors and subcontractors shall perform all work in a manner commensurate with their own usual and customary standards and with the reasonable and ordinary level of care provided by others performing similar or like work.

All work stated and set out in the Statement of Work shall be performed by qualified and experienced personnel who are not employed by COUNTY. OWNER represents and warrants that the work stated and set out in the Statement of Work to be performed will conform to the requirements of this Agreement, all applicable federal, state and local laws, and the highest professional standards.

OWNER represents and warrants to COUNTY that it and its contractors and subcontractors have, shall obtain, and shall keep in full force and effect during the term hereof, at their sole cost and expense, all licenses, permits, qualifications, insurance and approvals of whatsoever nature that are legally required to practice their professions.

D. Performance Monitoring

The COUNTY will monitor the performance of the OWNER against goals and performance standards set forth in the Statement of Work. OWNER's substandard performance as determined by the COUNTY will constitute OWNER's noncompliance with this Agreement. If action to correct such substandard performance is not taken by the OWNER within seven (7) business days after being notified by the COUNTY, contract suspension or termination procedures will be initiated as more fully detailed in Section VI.F.

E. Changes

Any changes to this Agreement, unless otherwise noted, may only be made through a written amendment to this Agreement executed by the OWNER and COUNTY.

F. COUNTY Recognition

OWNER shall ensure recognition of the role of the COUNTY in providing CDBG Funds through this Agreement. All activities, facilities and items utilized pursuant to this Agreement shall be prominently labeled as to funding source. In addition, the OWNER shall include a reference to the support provided herein in all publications made possible with CDBG Funds made available under this Agreement.

II. **TERM**

This Agreement shall begin on the date executed by all parties to be effective as of July 1, 2013, and end on June 30, 2014, unless such time is extended by written Amendment executed in the same manner as this Agreement, or unless terminated earlier or there are no CDBG Funds available for any reason.

A. Time Of Performance

All work to be performed hereunder and set out in the Statement of Work shall be completed by the expiration date. However, OWNER's obligations to complete the Scope of Work shall survive the expiration of the term of this Agreement, and COUNTY may extend the term of this Agreement and any provisions herein that COUNTY deems necessary to ensure such completion.

B. Reversion of Assets.

Any real property under the OWNER'S control that is or was acquired or improved in whole or in part with CDBG Funds shall either be:

1. Used to meet one of the national objectives in 24 CFR 570.208 (formerly 24 CFR 570.901) until five years after expiration of the Agreement, or for such longer period of time as determined to be appropriate by COUNTY; or

2. Not used in accordance with Section II.B.1, in which event the OWNER shall pay to the COUNTY an amount equal to the current market value of the property less any portion of the value attributable to expenditures of non-CDBG Funds for the acquisition of, or improvement to, the property. The payment is program income to the COUNTY.

III. **BUDGET**

The budget prepared by the OWNER and provided to COUNTY for the performance of the work stated and set out in the Statement of Work is delineated in Exhibit B to this Agreement.

COUNTY may require a more detailed budget breakdown than the one contained herein, and the OWNER shall provide such supplementary budget information within one (1) week in the form and content prescribed by the COUNTY. Any amendments to the budget must be approved in writing by both the COUNTY and the OWNER.

OWNER represents that the budget includes only allowable costs and an accurate analysis of costs acceptable under the CDBG Program pursuant to the Regulations, including, but not limited to, 24 CFR 570.502(a), which includes requirements for compliance with OMB Circular No. A-87 "Cost Principles for State, Local and Indian Tribal Governments," OMB Circular A-128, "Audits of State and Local Governments" (implemented at 24 CFR part 44); and with 24 CFR part 85 "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments" or the related CDBG provision, and all Subparts and Appendices, as applicable. These items shall be in sufficient detail to provide a sound basis for the COUNTY to effectively monitor OWNER's performance under the Agreement.

IV. PAYMENT

Upon compliance with the reporting requirements outlined in Section VII.C below, it is expressly agreed and understood that the total amount to be reimbursed by the COUNTY to the OWNER under this Agreement shall not exceed the budget delineated in Exhibit B. Drawdowns for the payment of eligible expenses shall be made against the line item budgets specified in Exhibit B hereto and in accordance with completion of work, as detailed in the Scope of Work. Upon the submission of an acceptable "Expenditure Summary and Payment Request (ESPR)", for which a sample is attached hereto as Exhibit C, together with proper supporting documentation, records and reports required in Sections VII.B and VII.C for the work described in Section I of this Agreement, COUNTY shall review the claim and when approved, make payment.

COUNTY has no obligation to provide CDBG Funds under this Agreement if for any reason there is not funding available from HUD to pass through to OWNER or if the Agreement is terminated or suspended.

V. NOTICES

Notices required by this Agreement shall be in writing and delivered via U.S. Mail (postage prepaid), commercial courier, or personal delivery. Notices may be delivered by facsimile or other electronic means if the party to be noticed agrees to delivery by these means and if that delivery is followed by delivery via U.S. Mail (postage prepaid), commercial courier, or personal delivery the next business day. Any notice delivered or sent as aforesaid shall be effective on the date of delivery or sending. All notices under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice:

COUNTY
County of Santa Barbara
Community Services Department,
Division of Housing and Community
Development

OWNER
City of Guadalupe
Andrew Carter, City Administrator
918 Obispo Street
Guadalupe, CA 93434

Dinah Lockhart, Deputy Director
105 E. Anapamu Street, Room 105
Santa Barbara, CA 93101

Office: (805) 356-3891

Office: (805) 568-3520

Fax: (805) 560-1091

VI. GENERAL CONDITIONS

A. General Compliance

The OWNER agrees to comply with the requirements of the Regulations at 24 CFR 570, including subpart K, except that (1) the OWNER does not assume the COUNTY's environmental responsibilities described in 24 CFR 570.604 and (2) the OWNER does not assume the COUNTY's responsibility for initiating the review process under the provisions of 24 CFR Part 52. In addition, the OWNER agrees to comply with the Federal Terms and Conditions attached hereto and incorporated herein as Exhibit D. The OWNER also agrees to comply with the terms of HUD's award to County, including the grant agreement, assurances in an application, or a notice of award and all other applicable Federal, state and local laws, regulations, ordinances, orders, rules, guidelines, directives, circulars, bulletins, notices and policies governing the CDBG Funds provided under this Agreement. The judgment of any court of competent jurisdiction, or the admission of the OWNER in any action or proceeding against OWNER, whether the COUNTY is a party thereto or not, that OWNER has violated any such law, regulation, ordinance or order, shall be conclusive of that fact as between OWNER and COUNTY. The OWNER further agrees to utilize CDBG Funds available under this Agreement to supplement rather than supplant funds otherwise available.

B. Independent Contractor

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The OWNER shall at all times remain an independent contractor with respect to the work to be performed under this Agreement. COUNTY shall not be responsible for paying any taxes on OWNER'S behalf, and should COUNTY be required to do so by state, federal, or local taxing agencies, OWNER agrees to promptly reimburse COUNTY for the full value of such paid taxes plus interest and penalty if any. These taxes shall include, but not be limited to, the following: FICA (Social Security), unemployment insurance contributions, income tax, disability insurance and workers' compensation Insurance. In addition, OWNER understands and acknowledges that it shall not be entitled to any of the benefits of a COUNTY employee, including but not limited to vacation, sick leave, administrative leave, health insurance, disability insurance, retirement, unemployment insurance, workers' compensation and protection of tenure.

C. Insurance and Indemnification

The OWNER shall comply with the insurance and indemnification provisions set forth in Exhibit E "Basic Indemnification and Insurance Requirements" attached hereto and incorporated herein.

D. Workers' Compensation

The OWNER shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this Agreement as set forth in Exhibit E "Basic Indemnification and Insurance Requirements" attached hereto and incorporated herein.

E. Amendments

The COUNTY and OWNER may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of each party, and are approved by the COUNTY's governing body. Such amendments shall not invalidate this Agreement.

The COUNTY may, in its discretion, amend this Agreement to conform with Federal, state or local governmental laws, regulations, ordinances, orders, rules, directives, circulars, bulletins, notices, guidelines, policies, or available funding amounts.

F. Suspension or Termination

In accordance with 24 CFR 570.503(b)(6), the COUNTY may suspend or terminate this Agreement in accordance with 24 CFR 85.43 if the OWNER materially fails to comply with the terms of HUD's award to County, including, but not limited to, the grant agreement, assurances in an application, or a notice of award or any terms of the Agreement, which include (but are not limited to), the following:

1. Failure to comply with any of the laws, rules, regulations, ordinances, provisions, orders, guidelines, policies, circulars, bulletins, notices or directives referred to herein, or as may become applicable at any time;
2. Failure, for any reason, of the OWNER to fulfill in a timely and proper manner its obligations under this Agreement;
3. Ineffective or improper use of CDBG Funds provided under this Agreement; or
4. Submission by the OWNER to the COUNTY of reports that are incorrect or incomplete in any material respect.

In addition, in accordance with 24 CFR 85.44, the Agreement may be terminated for convenience by either the COUNTY or the OWNER, in whole or in part, by setting forth the reasons for such terminations, the effective date, and, in the case of partial termination, the portions to be terminated. However, if in the case of a partial termination the COUNTY determines that the remaining portions of the Agreement will not accomplish a purpose for which the Agreement was made, the COUNTY may terminate the Agreement in its entirety.

If HUD demands reimbursement for payments to OWNER due to OWNER's failure to comply with the terms of HUD's award to County, including, but not limited to, the grant agreement, assurances in an application, or a notice of award, any applicable term of this Agreement, or any law, regulation, ordinance, order, rule, directive, circular, bulletin, notice, guideline or policy referred to herein, or as may become applicable at any time, OWNER shall fully and completely reimburse COUNTY in the total amount of such disallowed payments.

VII. ADMINISTRATIVE REQUIREMENTS

A. Financial Management

1. Accounting Standards

The OWNER agrees to comply with 24 CFR 570.502(a) and the Uniform Administrative requirements referenced therein, including, but not limited to, OMB Circular No. A-87, "Cost Principles for State, Local, and Indian Tribal Governments"; OMB Circular A-128, "Audits of

State and Local Governments" (implemented at 24 CFR part 44); and with the sections of 24 CFR part 85 "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments" or the related CDBG provision specified in 24 CFR 570.502(a). OWNER agrees to adhere to the accounting principles and procedures referenced therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

2. Cost Principles

The OWNER agrees to comply with 24 CFR 570.610 "Uniform Administrative Requirements and Cost Principles". These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

3. Administrative Requirements

The OWNER also agrees to comply with all applicable uniform administrative requirements set forth in 24 CFR 570.502 and all applicable requirements set forth in 24 CFR Part 5 (24 CFR 5.100-5.2011) and with the sections of 24 CFR part 85 "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments" or the related CDBG provision specified in 24 CFR 570.502(a). CDBG Funds received by OWNER from COUNTY pursuant to this Agreement shall be maintained in an account in a banking or savings and loan institution separate and apart from any other funds of OWNER or of any principal or member of OWNER. No costs shall be invoiced or billed except for expenditures authorized in the budget contained within this Agreement and also Exhibit B. The itemized costs shall be of sufficient detail to provide a sound basis for the COUNTY to effectively monitor costs under this Agreement.

B. Documentation and Record Keeping

1. Records to be Maintained

The OWNER shall maintain all records required by the Federal regulations specified in 24 CFR 570.506 or by COUNTY's ordinances or policies that are pertinent to the work to be performed or activities to be funded under this Agreement. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records required to determine the eligibility of activities;
- c. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- d. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- e. Financial records as required by 24 CFR 570.502; and
- f. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

2. Retention

The OWNER shall retain all financial records, supporting documents, statistical records, and all other records pertinent to this Agreement for a period of at least four (4) years. The retention period begins on the date of the submission of the COUNTY's annual performance and evaluation report to HUD, as prescribed in 24 CFR 91.520, in which the activities assisted under the Agreement are reported on for the final time rather than from the date of submission of the COUNTY's final expenditure report for HUD's award to County.

Notwithstanding the above, if there is litigation, claims, disputes, audits, negotiations or other actions that involve any of the records and that have started before the expiration of the four-year period, then all records must be retained until completion of the actions and final resolution of all issues, or the expiration of the four-year period, whichever occurs later.

3. Ownership Of Documents

Each and every report, draft, map, record, plan, document and other writing produced (hereinafter "Documents"), prepared or caused to be prepared by OWNER, its officers, employees, agents, representatives, contractors and subcontractors, in the course of performing this Agreement, shall be and become the exclusive property of COUNTY, and COUNTY shall have the sole right to use such materials in its sole discretion without further compensation to OWNER or any other party. OWNER shall, at OWNER's own expense, provide such Documents to COUNTY upon COUNTY'S written request.

4. Disclosure

The OWNER understands that client information collected under this Agreement is private and the use or disclosure of such information, when not directly connected with the administration of the COUNTY's or OWNER's responsibilities with respect to the work performed or the Project described in this Agreement, may be prohibited under state or federal law unless written consent is obtained from such person benefitting from the work performed under this Agreement or the Project and, in the case of a minor, that of a responsible parent/guardian.

5. Close-outs

The OWNER's obligations to the COUNTY shall not end until all close-out requirements are completed. Activities to be completed during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the COUNTY), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the OWNER has control over CDBG Funds, including program income.

6. Audits & Inspections

All OWNER records with respect to any matters covered by this Agreement shall be made available to the COUNTY, HUD, and the Comptroller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the OWNER within 30 days after receipt of the audit report by the OWNER. Failure of the OWNER to comply with the above audit requirements will constitute a violation of this Agreement and may result in the withholding of future payments. The OWNER hereby agrees to have an annual agency audit conducted in accordance with current COUNTY policy concerning OWNER audits and OMB Circular A-133.

COUNTY shall have the right to audit and review all records maintained by OWNER pursuant to the terms of this Agreement. Any such audit or review may be conducted at any time during regular business hours. OWNER is responsible for obtaining an audit in accordance

with the Single Audit Act Amendments of 1996 (31 U.S.C. §§ 7501 et seq.) and Federal agency implementing regulations, all as amended from time to time. The audit shall be made by an independent auditor in accordance with generally accepted government auditing standards covering financial and compliance audits.

7. Access to Records

The OWNER shall furnish and cause each of its own contractors and subcontractors to furnish all information and reports required hereunder and will permit access to books, records and accounts by the COUNTY, HUD or other authorized officials or their agents, to ascertain compliance with the laws, rules, regulations, executive orders, ordinances, resolutions, guidelines, policies, directives, standards and provisions stated in this Agreement or the CDBG program.

C. Reports

OWNER shall provide the COUNTY with a "CDBG Quarterly Status Report" (Exhibit F) and an unduplicated count of persons benefiting from the work performed or the Project described in this Agreement on or before the 10th day of the following months: October, January, April, and July, setting forth its activities for the previous quarter. The "CDBG Quarterly Status Report" shall contain, without limitation, the ethnic group, income level, female head of household status, and other data as may be requested by COUNTY, of each person assisted and the result of such assistance. The OWNER shall report said information on the "CDBG Quarterly Status Report" which has all the federally required data elements necessary for reporting in the Integrated Disbursement and Information System (IDIS). If OWNER fails to do so, COUNTY may withhold CDBG Funds until the required written CDBG Quarterly Status Reports are received. In addition to the CDBG Quarterly Status Report, OWNER shall, on or before July 10, furnish COUNTY with a summary of OWNER's activities for the Fiscal Year.

The CDBG Quarterly Status Report shall also include the following:

1. Documentation of the income level of persons and/or children and families receiving or benefiting from the Project;
2. Ethnicity, race and Head of Household data, consistent with the CDBG Quarterly Status Report requirements; and
3. Any additional information such as pamphlets, copies of newspaper articles, or brief reports on any special accomplishments achieved by the OWNER in performing the work or carrying out the Project during the Fiscal Year.

VIII. PERSONNEL & PARTICIPANT CONDITIONS

A. Civil Rights

1. Compliance

The OWNER shall comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C., §§ 2000d et seq.), Title VIII of the Civil Rights Act of 1968 (42 U.S.C., §§ 3601 et seq.), Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 (42 U.S.C., §§ 5301 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C., §§ 791 et seq.), the Americans with Disabilities Act of 1990 (42 U.S.C., §§ 12101 et seq.), the Age Discrimination Act of 1975 (42 U.S.C., §§ 6101 et seq.), Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086, and all implementing regulations, and all as may be amended.

2. Nondiscrimination

The OWNER shall comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the HCD Act are still applicable. In addition, COUNTY'S Unlawful Discrimination Ordinance (Article XIII of Chapter 2 of the Santa Barbara COUNTY Code) applies to this Agreement and is incorporated herein by this reference with the same force and effect as if the Ordinance were specifically set out herein and OWNER agrees to comply with said Ordinance.

3. Land Covenants

This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (42 U.S.C., §§ 2000d et seq.)(P.L. 88-352) and 24 CFR 570.601 and 570.602. In regard to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Agreement, the OWNER shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the COUNTY and the United States are beneficiaries of and entitled to enforce such covenants. The OWNER, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. Section 504

The OWNER shall comply with all Federal regulations issued pursuant to and in compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against qualified individuals with disabilities or handicaps in any Federally assisted program.

5. Relocation Requirements

The OWNER shall comply with relocation and acquisition requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C., §§ 4601 et seq.), and all implementing regulations, including, but not limited to, those set forth in Title 24 CFR Part 42 and 49 CFR Part 24, all as may be amended.

6. Program Income

The use of program income by OWNER shall comply with the requirements set forth in 24 CFR 570.504. Additionally, upon expiration of this Agreement, the OWNER shall remit to the COUNTY and CDBG Funds on hand at the time of expiration, any accounts receivable attributable to the use of CDBG Funds, and all program income balances held by OWNER, with the exception of the following: those needed for immediate cash needs, cash balances of a revolving loan fund, cash balances from a lump sum drawdown, or cash or investments held for section 108 security needs. The reversion of any project related assets shall comply with 24 CFR Part 85 and 24 CFR 570.502, 570.503, and 570.504, as applicable.

B. Affirmative Action

1. Approved Plan

The OWNER agrees that it shall be committed to carry out an Affirmative Action Program pursuant to and in accord with President's Executive Order 11246 of September 24, 1966. The OWNER shall submit to COUNTY a plan for an Affirmative Action program prior to OWNER's receipt of funds. COUNTY's acceptance of OWNER's Affirmative Action Program shall not be deemed to be or construed as OWNER's compliance with Executive Order 11246 or any other applicable Federal or state law, regulation, rule, executive order, ordinance, resolution, guideline, policy, directive, or standard.

2. Women- and Minority-Owned Businesses (W/MBE)

The OWNER will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this Agreement, as referenced in "D/MBE/WBE Implementation Guidelines" attached hereto and incorporated herein as Exhibit G. As used in this Agreement, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are African-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The OWNER may rely on written representations by businesses regarding their status as minority and women's business enterprises in lieu of an independent investigation.

3. Access to Records

The OWNER shall furnish and cause each of its own contractors and subcontractors to furnish all information and reports required hereunder and will permit access to all books, records and accounts by the COUNTY, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

4. Notifications

The OWNER 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 HUD, advising the labor union or workers' representative of the OWNER's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5. Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement

The OWNER will, in all solicitations or advertisements for employees placed by or on behalf of the OWNER, state that it is an Equal Opportunity and Affirmative Action employer.

6. Contract and Subcontract Provisions

The OWNER will include the provisions of Sections VIII.A, Civil Rights, and VIII.B, Affirmative Action, in every contract or subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own contractors and subcontractors.

C. Employment Restrictions

1. Prohibited Activity

The OWNER is prohibited from using CDBG Funds provided herein or personnel employed in the performance of work under this Agreement for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities. The OWNER agrees to comply with the Federal Labor Standards Provisions attached hereto and incorporated herein as Exhibit H.

2. "Section 3" Clause

a. Compliance

Compliance with the provisions of Section 3 of the HUD Act of 1968 (12 U.S.C., § 1701u), and as implemented by the regulations set forth in 24 CFR 135, and all applicable rules and orders issued hereunder, and the Section 3 Implementation Guidelines attached hereto and incorporated herein as Exhibit G, all as may be amended, prior to the execution of the Agreement shall be a condition of the Federal financial assistance provided under this Agreement and binding upon the COUNTY, the OWNER and any of the OWNER'S contractors or subcontractors. Failure to fulfill these requirements shall subject the COUNTY, the OWNER and any of the OWNER'S contractors or subcontractors, their successors and assigns if any as permitted under this Agreement, to those sanctions specified by any agreement through which Federal assistance is provided. The OWNER certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.

The OWNER further agrees to comply with the "Section 3" requirements and to include the following language in all contracts and subcontracts executed under this Agreement:

"The work to be performed under this Agreement is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u). Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low- and very low-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the project is located."

The OWNER further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very-low income persons residing within the metropolitan area in which the CDBG-funded project is located. Where feasible, priority should be given to low- and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low- and very-low income participants in other HUD programs. OWNER agrees to award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project to business concerns that provide economic opportunities for low- and very-low income persons residing within the metropolitan area in which the CDBG-funded project is located. Where feasible, priority should be given to business concerns

that provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs.

The OWNER certifies and agrees that no contractual or other legal incapacity exists that would prevent compliance with these requirements.

b. Notifications

The OWNER agrees to send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising said labor organization or workers' representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

c. Contracts and Subcontracts

The OWNER will include this Section 3 clause in every contract and subcontract and will take appropriate action pursuant to the contract or subcontract upon a finding that the OWNER or a contractor or subcontractor is in violation of regulations issued by HUD. The OWNER will not contract or subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any contract or subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirement of these regulations.

3. Labor Standards Requirements

The OWNER shall comply with labor standards requirements as set forth in 24 CFR 570.603, and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement.

D. Conduct

1. Assignability

The OWNER shall not assign or transfer any interest in this Agreement without the prior written consent of the COUNTY thereto and any attempt to so assign or transfer without such consent shall be void and without legal effect and shall constitute grounds for termination; provided, however, that claims for money due or to become due to the OWNER from the COUNTY under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the COUNTY.

2. Contracts and Subcontracts

a. Approvals

The OWNER shall not enter into any contracts or subcontracts with any agency or individual in the performance of this Agreement without the written consent of the COUNTY prior to the execution of such agreement.

b. Monitoring

The OWNER will monitor all contracted and subcontracted work and services on a regular basis to assure contract compliance. Results of monitoring efforts shall be

summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

c. Content

The OWNER shall cause all of the provisions of this Agreement in its entirety to be included in and made a part of any contract or subcontract executed in the performance of this Agreement.

d. Selection Process

The OWNER shall undertake to insure that all contracts and subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis in accordance with applicable procurement requirements. Executed copies of all contracts and subcontracts shall be forwarded to the COUNTY along with documentation concerning the selection process.

3. Hatch Act

The OWNER agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of 5 U.S.C., §§ 7321 et seq. or 5 CFR Parts 733 and 734, all as may be amended.

4. Conflict of Interest

The OWNER agrees to abide by the provisions of 24 CFR 85.36 and 570.611, which include (but are not limited to) the following:

- a. The OWNER shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds.
- b. No employee, officer or agent of the OWNER shall participate in the selection, or in the award, or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.
- c. No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG-assisted activity, or with respect to the proceeds from the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the COUNTY, the OWNER, or any designated public agency.

5. Lobbying

The OWNER hereby certifies that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person 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 the awarding of any Federal contract, the making of any Federal grant, the making

- of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
- b. 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, 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, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
 - c. It will require that the language of paragraph (d), immediately below, of this certification be included in the award documents for all awards and subawards at all tiers (including subcontracts, subgrants, contracts, and grants under grants, loans, and cooperative agreements) and that OWNER and all contractors and subcontractors shall certify and disclose accordingly:
 - d. Lobbying Certification
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 section 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 \$10,000 and not more than \$100,000 for each such failure.

6. Copyright

If this Agreement results in any copyrightable material or inventions, the COUNTY and/or HUD reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for governmental purposes.

COUNTY shall be the owner of the following items incidental to the Agreement upon production, whether or not completed: all data collected, all documents of any type whatsoever, and any material necessary for the practical use of the data and/or documents from the time of collection and/or production whether or not performance under this Agreement is completed or terminated prior to completion. OWNER shall not release any materials under this section except after prior written approval of COUNTY.

No materials produced in whole or in part under this Agreement shall be subject to copyright in the United States or in any other country except as determined at the sole discretion of COUNTY. COUNTY shall have the unrestricted authority to publish, disclose, distribute, and otherwise use in whole or in part, any reports, data, documents or other materials prepared under this Agreement.

7. Religious Activities

The OWNER agrees that CDBG Funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

8. Conditions For Religious Organizations

If OWNER represents that it is, or may be deemed to be, a religious or denominational institution or organization or an organization operated for religious purposes which is supervised or controlled by or in connection with a religious or denominational institution or organization, OWNER agrees that:

- a. It will not discriminate against any employee or applicant for employment on the basis of religion and will not limit employment or give preference in employment to persons on the basis of religion;
- b. It will not discriminate against any person applying for the use or occupancy of the facility to be constructed as part of the Project on the basis of religion and will not limit the use or occupancy of the facility to be constructed as part of the Project or give preference to persons on the basis of religion;
- c. It will provide no religious instruction or counseling, conduct no religious worship or religious services, engage in no religious proselytizing, and exert no other religious influence in carrying out the Project; and
- d. The portion of a facility assisted in whole or in part under this Agreement shall contain no sectarian or religious symbols or decorations.

OWNER shall comply with all applicable conditions of Title 24 CFR 570.503(b)(6) prescribed by HUD for the use of CDBG Funds by religious organizations if OWNER is a religious organization.

9. Federal Contracts

The OWNER agrees that every person or entity that requests or receives a federal contract, grant, loan or cooperative agreement from or through a federal agency or receives or requests from or through a federal agency a commitment that would provide for the United States to insure or guarantee a loan must file with that agency a written declaration and certify that he, she or it has not made and will not make any prohibited expenditure. Further, any person or entity that requires or receives from a person or entity referred to above, a contract or subcontract under a federal contract, a subgrant or grant under a federal grant, or a contract or subcontract to carry out any purpose for which a particular federal loan is made, or contract or subcontract under a federal cooperative agreement, is required to file a written declaration with the person or entity that received the federal contract, grant, loan or commitment to insure or guarantee a loan.

This Agreement is subject to and incorporates the terms of the Housing and Community Development Act of 1974, 24 CFR Part 570, and COUNTY'S CDBG Program Guidelines, all as may be amended.

10. Drug Free Workplace

The OWNER shall comply with the Federal Drug-Free Workplace Act (41 U.S.C., §§ 8101 et seq.), and shall make all good faith efforts to continue to maintain a drug-free workplace, including establishing a drug-free awareness program to inform employees about the dangers of drug abuse and the OWNER's policy and penalties for drug abuse violations occurring in the workplace. In addition, OWNER agrees to provide a drug-free workplace in accordance with the COUNTY's Drug Free Workplace Policy as follows:

- A. OWNER will publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the OWNER's workplace and will specify the actions that will be taken against employees for violation of such prohibition.
- B. OWNER will establish an ongoing drug-free awareness program to inform employees about:
 - (1) The dangers of drug abuse in the workplace;
 - (2) The OWNER's policy of maintaining a drug-free workplace;
 - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
- C. OWNER will require that each employee to be engaged in the performance of the Agreement be given a copy of the statement specified in paragraph A.
- D. OWNER will notify the employee that, as a condition of employment under the Agreement, the employee will:
 - (1) Abide by the terms of the statement specified in paragraph A; and
 - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction.
- E. OWNER will notify the COUNTY in writing, within ten calendar days after receiving notice under paragraph D from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice to every grant officer or other designee on whose Agreement activity the convicted employee was working.
- F. OWNER will take one of the following actions, within 30 calendar days of receiving notice under paragraph D, with respect to any employee who is so convicted:
 - (1) Take appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973 (29 U.S.C., §§ 701 et seq.), as amended; or
 - (2) Require such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, state, or local health, law enforcement, or other appropriate agency.
- G. OWNER agrees to make a good faith effort to maintain a drug-free workplace through implementation of paragraphs A, B, C, D, E, and F.

IX. ENVIRONMENTAL CONDITIONS

A. Air and Water

The OWNER shall comply with the following requirements insofar as they apply to the performance of this Agreement:

1. Clean Air Act, 42 U.S.C. , 7401, *et seq.*;

2. Federal Water Pollution Control Act, , 33 U.S.C., §§ 1251 *et seq.*, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder, all as may be amended;
3. Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as may be amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), and Executive Order 11988 relating to the evaluation of flood hazards, prevention, control, and abatement of water pollution, the OWNER shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

The OWNER agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment and/or abatement may be conducted.

D. Historic Preservation

The OWNER shall comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) as applicable and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

X. SEVERABILITY

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

XI. SECTION HEADINGS AND SUBHEADINGS

The section headings and subheadings contained in this Agreement are included for convenience only and shall not affect the meaning, construction or effect of the terms of this Agreement.

XII. WAIVER

The COUNTY's failure to act with respect to a breach by the OWNER shall not constitute or be construed as a waiver of COUNTY'S rights with respect to subsequent or similar breaches. Any delay or failure of the COUNTY to exercise or enforce any right or provision of this Agreement shall not constitute a waiver of such right or provision, and every power and remedy given by this Agreement to COUNTY shall be exercised from time to time and as often as may be deemed expedient in the sole discretion of COUNTY.

XIII. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the COUNTY and the OWNER for the OWNER's use of funds received under this Agreement and it supersedes all prior and contemporaneous communications and proposals, whether electronic, oral, or written between the COUNTY and the OWNER with respect to this Agreement. Each party waives their future right to claim, contest or assert that this Agreement was modified, canceled, superseded, or changed by any oral agreements, course of conduct, waiver or estoppel.

XIV. REMEDIES NOT EXCLUSIVE

No remedy herein conferred upon or reserved to COUNTY 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.

XV. TIME IS OF THE ESSENCE

Time is of the essence in this Agreement and each covenant and term is a condition herein.

XVI. NONEXCLUSIVE AGREEMENT

OWNER understands that this is not an exclusive Agreement and that COUNTY shall have the right to negotiate with and enter into contracts with others providing the same or similar work or services as those provided by OWNER as the COUNTY desires.

XVII. CALIFORNIA LAW

This Agreement 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.

XVIII. EXECUTION OF COUNTERPARTS

This Agreement may be executed 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.

XIX. AUTHORITY

All parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles and capacities herein stated and on behalf of any entities, persons, or firms represented or purported to be represented by such entity(ies), person(s), or firm(s) and that all formal requirements necessary or required by any local, state and/or federal law in order to enter into this Agreement have been fully complied with. Furthermore, by entering into this Agreement, OWNER hereby warrants that it shall not have breached the terms or conditions of any other contract or agreement to which OWNER is obligated, which breach would have a material effect hereon.

XX. PRECEDENCE


In the event of conflict between the provisions contained in the numbered sections of this Agreement and the provisions contained in the Exhibits to this Agreement, the provisions of the Agreement shall prevail over those in the Exhibits.

[Signatures on Following Page]

IN WITNESS WHEREOF, COUNTY and OWNER have executed this Agreement by the respective authorized officers as set forth below to be effective on the date executed by the COUNTY.


ATTEST:

CHANDRA L. WALLAR
Clerk of the Board


By: 
Deputy

By: 
Salud Carbajal, Chair
Board of Supervisors

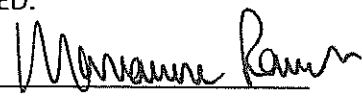
APPROVED AS TO FORM:
DENNIS A. MARSHALL
COUNTY COUNSEL

By: 
Deputy County Counsel

APPROVED AS TO ACCOUNTING FORM:
ROBERT W. GEIS, CPA
AUDITOR-CONTROLLER

By: 
Deputy Auditor-Controller
Gregory Eric Levin
Advanced and Specialty Accounting

APPROVED:

By: 
Ray Aromatorio, ARM, AIC
Risk Manager

OWNER
City of Guadalupe

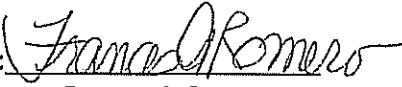
BY: 
Frances A. Romero
Mayor

Exhibit A

Statement of Work

Description of Facilities:

The City of Guadalupe American Legion Hall is a 1931 painted brick structure with a red tile roof. The structure rests on concrete footings. The facilities used by the Guadalupe American Legion consist of a two-story high assembly hall plus a one-story kitchen, bathroom facilities, bar area, meeting room, office and entry. There is a storage area in a loft above the bar area. In addition, there is a meeting room used by Alcoholics Anonymous and a suite of three rooms used by the Guadalupe Historical Society for its museum and office. There is an unfinished basement under the assembly hall which is used by the Guadalupe Fire Department for exercise and training. The rest of the building has a crawl space only.

Scope of Work:

The seismic retrofit work will entail excavation in the basement and in the crawl space to add footings upon which will rest 6" x 6" steel posts which travel the inside height of each wall. In most of the building, the current 2 x 4 framing will be tied directly to these posts. In the two-story assembly hall there will also be horizontal steel beams in place between the posts. Rafters and roof trusses will be braced. The only work performed on the outside of the American Legion Hall that may affect the aesthetics of the building will be small plates and bolts to tie the bricks to the internal posts. Inside, sheetrock and wood frames will be used to cover the posts. Some of the rafter and truss bracing will be visible inside, particularly in the assembly hall, and some will not be visible, such as where it is hidden by attic space.

Exhibit B

Budget

Description	Project Budget	CDBG Funds	Other funds
Architectural and Engineering		35,000	
Project Management		30,000	
Construction and Materials		275,000	
Contingency		27,500	
TOTAL		367,500	

Exhibit C
EXPENDITURE SUMMARY AND PAYMENT REQUEST (ESPR)
 Community Development Block Grant (CDBG) - Capital Projects

Agency Name _____ Program _____
 Address _____ Grant Year _____
 Contact Person _____ Report Period: _____
 Phone _____ Request No. _____
 DUNS # _____ Date Submitted _____

I. GRANT BUDGET AND EXPENDITURES

Budget Category/Description	ACTIVITY	Entry fields			Auto calculation from tab 2		Auto calculation	
		TOTAL GRANT BUDGET	TOTAL OF PREVIOUS DRAW/DOWNS	REQUESTED DRAW/DOWN THIS PERIOD	REQUESTED DRAW/DOWN THIS PERIOD	NEW AVAILABLE BALANCE		
Cat 1 Ex. Engineering Services		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Cat 2								
Cat 3								
Cat 4								
Cat 5								
TOTAL		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

Certification:
 I certify to the best of my knowledge and belief this report is true and complete in all respects, and all disbursements have been made for the purpose and conditions of this grant and have not been nor will be charged to any other grants.

Manager / Fiscal Officer _____ **Administrator / Executive Director** _____
 Name _____ Title _____ Signature _____ Title _____
 Date _____ Date _____

JKR

EXHIBIT D

FEDERAL TERMS AND CONDITIONS

This Project is being assisted by the United States of America. The following Federal provisions must be included into the Agreement pursuant to the provisions applicable to such Federal assistance. During the performance of the Agreement, the OWNER must agree to comply with all applicable Federal laws and regulations including but not limited to each of the following:

A. Equal Opportunity

During the performance of this Agreement, the OWNER agrees as follows:

1. The OWNER will comply with Executive Order 11246 of September 24, 1965 entitled Equal Employment Opportunity as amended by Executive Order 11375 of October 1967 as supplemented in Department of Labor regulations (41 CFR chapter 60).
2. The OWNER will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The OWNER will take affirmative action to insure that applicants are employed and that employees are treated equally during employment, without regard to race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment upgrading, demotion, transfer, recruitment, or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training including apprenticeship. The OWNER agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by COUNTY setting forth the provisions of this nondiscrimination clause.
3. The OWNER will, in all solicitations or advertisements for employees placed by or on behalf of the OWNER, state that all qualified applicants will receive consideration for employment without regard to their race, color, religion, sex, or national origin.
4. The OWNER 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 COUNTY, advising the labor union or workers' representative of the OWNER'S commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
5. The OWNER will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, 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 COUNTY and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
6. In the event of the OWNER'S noncompliance with the nondiscrimination clauses of this Agreement or with any of such rules, regulations, or orders, this Agreement may be cancelled, terminated or suspended in whole or in part and the OWNER may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of Sept. 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No.

11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

7. The OWNER will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each contractor, subcontractor or vendor. The OWNER will take such action with respect to any contract, subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: *Provided, however,* that in the event the OWNER becomes involved in, or is threatened with, litigation with a contractor, subcontractor or vendor as a result of such direction, the OWNER may request the United States to enter into such litigation to protect the interests of the United States.
8. The OWNER shall file, and shall cause each of its contractors and subcontractors to file, Compliance Reports with the COUNTY or the Secretary of Labor as may be directed. Compliance Reports shall be filed within such times and shall contain such information as to the practices, policies, programs, and employment policies, programs, and employment statistics of the OWNER and each contractor and subcontractor, and shall be in such form, as the Secretary of Labor may prescribe.
9. Bidders or prospective contractors or subcontractors may be required to state whether they have participated in any previous contract subject to the provisions of Executive Order 11246, or any preceding similar Executive Order, and in that event to submit, on behalf of themselves and their proposed contractors and subcontractors, Compliance Reports prior to or as an initial part of their bid or negotiation of a contract.
10. Whenever the OWNER, contractor or subcontractor has a collective bargaining agreement or other contract or understanding with a labor union or an agency referring workers or providing or supervising apprenticeship or training for such workers, the Compliance Report shall include such information as to such labor union's or agency's practices and policies affecting compliance as the Secretary of Labor may prescribe: *Provided,* That to the extent such information is within the exclusive possession of a labor union or an agency referring workers or providing or supervising apprenticeship or training and such labor union or agency shall refuse to furnish such information to the OWNER, the OWNER shall so certify to the Secretary of Labor as part of its Compliance Report and shall set forth what efforts it has made to obtain such information.
11. The Secretary of Labor may direct that OWNER and any bidder or prospective contractor or subcontractor shall submit, as part of its Compliance Report, a statement in writing, signed by an authorized officer or agent on behalf of any labor union or any agency referring workers or providing or supervising apprenticeship or other training, with which the OWNER and any bidder or prospective contractor or subcontractor deals, with supporting information, to the effect that the signer's practices and policies do not discriminate on the grounds of race, color, religion, sex or national origin, and that the signer either will affirmatively cooperate in the implementation of the policy and provisions of this order or that it consents and agrees that recruitment, employment, and the terms and conditions of employment under the proposed contract shall be in accordance with the purposes and provisions of the order. In the event that the union, or the agency shall refuse to execute such a statement, the Compliance Report shall so certify and set forth what efforts have been made to secure such a statement and such additional factual material as the Secretary of Labor may require.

12. The OWNER will cause the foregoing provisions to be inserted in all contracts and subcontracts for work covered by this Agreement so that such provisions will be binding upon each contractor and subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

B. Disadvantaged/Minority/Women Business Enterprise Federal Regulatory Requirements under 24 CFR 85.36(e)

1. The OWNER will take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible.

2. Affirmative steps shall include:

- i. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- ii. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- iii. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;
- iv. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises;
- v. Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce; and

C. Copeland "Anti-Kickback" Act (18 U.S.C. 874)

OWNER shall comply with the Copeland "Anti-Kickback" Act (18 U.S.C. 874; 40 U.S.C., § 3145) as supplemented in Department of Labor regulations (29 CFR Part 3).

D. Compliance with Labor Standard Provisions

OWNER shall comply with all provisions contained in the form HUD-4010, Federal Labor Standards Provisions, attached as **Exhibit H** and incorporated by this reference.

E. Compliance with the Contract Work Hours and Safety Standards Act (40 U.S.C., §§ 3701 et seq.)

OWNER shall comply with the Contract Work Hours and safety Standards Act (40 U.S.C., §§ 3701 et seq.) as supplemented by Department of Labor regulations (29 CFR Part 5). This requires the contracting officer to insert the clauses set forth in 29 CFR Part 5.

F. Requirements and Regulations pertaining to Data and Design

All data and design and engineering work created under this Agreement shall be owned by the County and shall not be subject to copyright protection. The rights to any invention which is developed in the course of this Agreement shall be the property of the County.

G. Requirements and Regulations Pertaining to Reporting

COUNTY, HUD and the Comptroller General of the United States or any of their duly authorized representatives shall be granted access to any books, documents, papers and records of OWNER which are directly pertinent to the Agreement.

H. Compliance with Clean Air Act and Clean Water Act.

1. OWNER shall comply with all applicable standards, orders and requirements issued under Section 306 of the Clean Air Act (42 U.S.C., § 7606).
2. OWNER shall comply with all applicable standards, orders and requirements issued under Section 508 Federal Water Pollution Control Act (33 U.S.C. 1368).
3. OWNER shall comply with Executive Order 11738 and Environmental Protection Agency regulations (40 CFR Part 31).

I. Compliance with the National Energy Conservation Policy Act of 2000 (42 U.S.C. §§ 6201 et seq., Public Law 106-469, 114 Statutes 2029).

The OWNER shall comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the National Energy Conservation Policy Act of 2000 (42 U.S.C., §§ 6201 et seq., 106 P.L. 469, 114 Stat. 2029) for building improvements.

Exhibit E

**BASIC INDEMNIFICATION AND INSURANCE REQUIREMENTS
FOR ALL SANTA BARBARA COUNTY CONTRACTS**

1. Indemnification – OWNER agrees to indemnify, defend (with counsel reasonably approved by COUNTY) and hold harmless COUNTY and its authorized officers, employees, elected and appointed officials, agents and volunteers from and against any and all claims, actions, losses, damages, and/or liability arising out of this Agreement from any cause whatsoever, including the acts, errors or omissions of any person 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. This indemnification provision shall apply regardless of the existence or degree of fault of indemnities. OWNER'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" within the meaning of California Civil Code Section 2782. OWNER shall notify COUNTY immediately in the event of any accident or injury arising out of or in connection with this Agreement. This Indemnification provision shall survive any expiration or termination of this Agreement.

2. Additional Insured – All policies, except for the Workers' Compensation, Errors and Omissions and Professional Liability and Automobile Liability policies, shall contain endorsements naming COUNTY and its officers, employees, agents and volunteers as additional insured's with respect to liabilities arising out of the performance of the Agreement. The additional insured endorsements shall not limit the scope of coverage for COUNTY to vicarious liability but shall allow coverage for COUNTY to the full extent provided by the policy. Such additional insured coverage shall be at least as broad as Additional Insured (Form B) endorsement form ISO, CG 2010.11 85.

3. Waiver of Subrogation Rights – OWNER shall require the carriers of required coverage's to waive all rights of subrogation against COUNTY, its officers, employees, agents, volunteers, contractors and subcontractors. All general or auto liability insurance coverage provided shall not prohibit OWNER and OWNER's employees or agents from waiving the right of subrogation prior to a loss or claim. OWNER hereby waives all rights of subrogation against COUNTY.

4. Policies Primary and Non-Contributory – All policies required herein are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by COUNTY.

5. Severability of Interests – OWNER agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and there will be no cross liability exclusions that preclude coverage for suits between OWNER and COUNTY or between COUNTY and any other insured or additional insured under the policy.

6. Proof of Coverage – OWNER shall furnish Certificates of Insurance to the COUNTY Department administering the Agreement evidencing the insurance coverage, including Additional Insured Endorsements and Waiver of Subrogation Endorsements (a.k.a.: Waiver of Transfer Rights of Recovery Against Other, Waiver of Our Right to Recover from Others), as required, prior to the commencement of performance of work hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the Department, and OWNER shall maintain such insurance from the time OWNER commences performance of work hereunder until the completion of such work. Within

fifteen (15) days of the commencement of this Agreement, OWNER shall furnish a copy of the Declaration page for all applicable policies and will provide complete copies of the policies and endorsements immediately upon request.

7. Acceptability of Insurance Carrier – 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".

8. Deductibles and Self-Insured Retention – Any and all deductibles or self-insured retentions shall be declared to and approved by Risk Management.

9. 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 cancel the Agreement or obtain insurance if it deems necessary and any premiums paid by COUNTY will be promptly reimbursed by OWNER or COUNTY payments to OWNER will be reduced to pay for COUNTY purchased insurance.

10. Insurance Review – Insurance requirements are subject to periodic review by COUNTY. The Risk Manager or designee is authorized, but not required, to reduce, waive or suspend any insurance requirements whenever Risk Management determines that any of the required insurance is not available, is unreasonably priced, or is not needed to protect the interests of COUNTY. In addition, if the Division of Risk Management determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Risk Manager or designee is authorized, but not required, to change the above insurance requirements to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against COUNTY, inflation, or any other item reasonably related to COUNTY's risk.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. OWNER 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 will not be deemed as a waiver of any rights on the part of COUNTY.

11. Insurance Specifications – OWNER agrees to provide insurance set forth in accordance with the requirements herein. If OWNER uses existing coverage to comply with these requirements and that coverage does not meet the specified requirements, OWNER agrees to amend, supplement or endorse the existing coverage to do so. The type(s) of insurance required is determined by the scope of the contract.

Without in any way affecting the indemnity herein provided and in addition thereto, OWNER shall secure and maintain throughout the Agreement term the following types of insurance with limits as shown:

A. Workers' Compensation/Employers Liability – A program of Workers' Compensation insurance or a state-approved, self-insurance program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with one million dollar (\$1,000,000) limits covering all persons including volunteers providing services on behalf of OWNER and all risks to such persons under this Agreement.

If OWNER has no employees, it may certify or warrant to COUNTY that it does not currently have any employees or individuals who are defined as "employees" under the Labor Code and the requirement for Workers' Compensation coverage will be waived by the County's Risk Manager.

With respect to OWNERS that are non-profit corporations organized under California or Federal law, volunteers for such entities are required to be covered by Workers' Compensation insurance.

B. Commercial/General Liability Insurance – OWNER shall carry General Liability Insurance covering all operations performed by or on behalf of OWNER providing coverage for bodily injury and property damage with a combined single limit of not less than one million dollars (\$1,000,000) per occurrence and two million dollars \$2,000,000 in the aggregate.

C. Fire Legal Liability – OWNER shall provide Fire Legal Liability coverage in the amount of \$50,000 as part of the General Liability Policy.

D. Automobile Liability Insurance – Primary insurance coverage shall be written on ISO Business Auto coverage form for all owned, hired and non-owned automobiles or symbol 1 (any auto). The policy shall have a combined single limit of not less than one million dollars (\$1,000,000) for bodily injury and property damage, per occurrence.

If the OWNER is transporting one or more non-employee passengers in performance of a contract, the automobile liability policy shall have a combined single limit of two million dollars (\$2,000,000) for bodily injury and property damage per occurrence.

If OWNER owns no autos, a non-owned auto endorsement to the General Liability policy described above is acceptable.

E. Professional Liability Insurance – OWNER shall carry Professional Liability Insurance with limits of not less than one million (\$1,000,000) per claim or occurrence and two million (\$2,000,000) aggregate limits.

If insurance coverage is provided on a "claims made" policy, the "retroactive date" shall be shown and must be before the date of the start of the contract work. The claims made insurance shall be maintained or "tail" coverage provided for a minimum of three (3) years after contract completion.

F. Personal Property Insurance – OWNER shall carry Personal Property Insurance insuring all equipment, trade fixtures, inventory, fixtures and personal property located on or in the premises.

G. Umbrella Liability Insurance – An umbrella (over primary) or excess policy may be used to comply with limits or other primary coverage requirements. When used, the umbrella policy shall apply to bodily injury/property damage, personal injury/advertising injury and shall include a "dropdown" provision providing primary coverage for any liability not covered by the primary policy. The coverage shall also apply to automobile liability. An Additional Insured Endorsement shall be provided on the Umbrella policy as it relates to the primary policies requiring an Additional Insured Endorsement.

EXHIBIT F
CDBG QUARTERLY STATUS REPORT
(following page)



**Quarterly Status Report
2012-2013**

**County of Santa Barbara
Housing & Community Development**

Instructions: Submit this status report to Simon Kiefer, Grants Manager, at the end of each quarter. Submit via email to skiefer@co.santa-barbara.ca.us or fax to (805) 560-1091.

- 1st Quarter** July 1 – September 30
 2nd Quarter October 1 – December 31
 3rd Quarter January 1 – March 31
 4th Quarter April 1 – June 30

Agency _____ Contact Person _____
 Program _____ Phone Number _____
 Contract # _____ Email Address _____

Reporting Period Narrative

Briefly describe major activities/accomplishments and assess the status of program objectives. If the program is not performing as planned, provide an explanation.

Direct Benefit Data

Report unduplicated quarter and year-to-date data for each category.

	Annual Goal	Quarter Total Served	Year-to-Date Total Served
Persons			
Households ¹			
Female-Headed Households ²			

Race & Ethnicity

	Quarter		Year-to-Date	
	Total	Hispanic/Latino ³	Total	Hispanic/Latino ³
White				
Black/African American				
Asian				
American Indian/Alaskan Native				
Native Hawaiian/Other Pacific Islander				
American Indian/Alaskan Native & White				
Asian & White				
Black/African American & White				
American Indian/Alaskan Native & Black/African American				
Other multi-racial				
Total				

¹ Household means all the persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements. 24 CFR 570.3

² Household headed by a single female

³ Subset of total per racial category

JAK

Income Levels

	Quarter Total	Year-to-Date Total
Extremely Low (0% to 30%)		
Low (31% to 50%)		
Moderate (51% to 80%)		
Non-Low/Moderate		
Total		

Program Funding

Report funding received during the program year by source. This section can be completed at the end of the program year.

HUD Funds

	Amount
CDBG - County	\$
CDBG - Other	\$
Section 108 Loan Guarantee	\$
ESG	\$
HOME	\$
HOPWA	\$
Total	\$

Other Funds

	Amount
Other Federal Funds	\$
State Funds	\$
Local Funds	\$
Private Funds	\$
Other Funds (Specify fund source below)	
	\$
	\$
	\$
	\$
	\$
Total	\$

JAR

EXHIBIT G

D/MBE/WBE Implementation Guidelines

The following information, as applicable, shall be retained by OWNER and produced upon request by COUNTY if determined by COUNTY to be necessary to establish the bidder's "good faith efforts" to meet the Disadvantaged/Minority/Women Business Enterprise (D/M/WBE) requirements.

1. The names and dates of advertisement of each newspaper, trade paper, and minority-focus paper in which a request for D/M/WBE participation for this project was placed by the bidder.
2. The names and dates of notices of all certified D/M/WBEs solicited by direct mail for this project and the dates and methods used for following up initial solicitations to determine with certainty whether the D/M/WBEs were interested.
3. The items of work for which the bidder requested subbids or materials to be supplied by D/M/WBEs, the information furnished interested D/M/WBEs in the way of plans, specifications and requirements for the work, and any breakdown of items of work into economically feasible units to facilitate D/M/WBE participation. Where there are D/M/WBEs available for doing portions of the work normally performed by the bidder with his own forces, the bidder will be expected to make portions of such work available for D/M/WBEs to bid on.
4. The names of D/M/WBEs who submitted bids for any of the work indicated in (3) above, which were not accepted, a summary of the bidder's discussions and/or negotiations with them, the name of the contractor, subcontractor or supplier that was selected for that portion of work, and the reasons for the bidder's choice. If the reason for rejecting the D/M/WBE bid was price, give the price bid by the rejected D/M/WBE and the price bid by the selected contractor, subcontractor or supplier.
5. Assistance that the bidder has extended to D/M/WBEs identified in (4) above to remedy the deficiency in their subbids.
6. To find a D/M/WBE certified firm, you may call (916) 324-1700, go on-line to: http://www.dot.ca.gov/hq/bep/find_certified.htm, or via email at: DBE_Certification@dot.ca.gov.

EXHIBIT H

Federal Labor Standards Provisions
U.S. Department of Housing and Urban Development
Office of Labor Relations
Previous editions are obsolete
form HUD-4010 (06/2009) ref. Handbook 1344.1

Applicability

The Project or Program to which the construction work covered by this Agreement pertains is being assisted by the United States of America and the following Federal Labor Standards Provisions are included in this Agreement pursuant to the provisions applicable to such Federal assistance.

A. 1. (i) Minimum Wages. All laborers and mechanics employed or working upon the site of the work, will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR Part 3), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the OWNER and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under Section (b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of 29 CFR 5.5(a)(1)(iv); also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs, which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period.

Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein; provided that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under 29 CFR 5.5(a)(1)(ii) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the OWNER and its contractors and subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

(ii) (a) Any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the Agreement or contracts shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate and fringe benefits therefor only when the following criteria have been met:

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(2) The classification is utilized in the area by the construction industry; and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(b) If the OWNER and the laborers and mechanics to be employed in the classification (if known), or their representatives, and HUD or its designee agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by HUD or its designee to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, D.C. 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB control number 1215-0140.)

(c) In the event the OWNER, the laborers or mechanics to be employed in the classification or their representatives, and HUD or its designee do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), HUD or its designee shall refer the questions, including the views of all interested parties and the recommendation of HUD or its designee, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)

(d) The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (1)(ii)(b) or (c) of this paragraph, shall be paid to all workers performing work in the classification under this Agreement from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the Agreement for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the OWNER shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the OWNER does not make payments to a trustee or other third person, the OWNER may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the OWNER, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the OWNER to set aside in a separate account assets for the meeting of obligations under the plan or program. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)

2. Withholding. HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the OWNER under this Agreement or any other Federal contract with the OWNER, or any other Federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the OWNER so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees and helpers, employed by the OWNER or any contractor or subcontractor the full amount of wages required by the Agreement or contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee or helper, employed or working on the site of the work, all or part of the wages required by the Agreement or contract, HUD or its designee may, after written notice to the OWNER, sponsor, applicant, contractor or subcontractor, take such action as may be necessary to cause

the suspension of any further payment, advance, or guarantee of funds until such violations have ceased. HUD or its designee may, after written notice to the OWNER, disburse such amounts withheld for and on account of the OWNER or contractor or subcontractor to the respective employees to whom they are due. The Comptroller General shall make such disbursements in the case of direct Davis-Bacon Act contracts.

3. (i) Payrolls and basic records. Payrolls and basic records relating thereto shall be maintained by the OWNER during the course of the work preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in Section 1(b)(2)(B) of the Davis-bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5 (a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in Section 1(b)(2)(B) of the Davis-Bacon Act, the OWNER shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. OWNERS employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs. (Approved by the Office of Management and Budget under OMB Control Numbers 1215-0140 and 1215-0017.)

(ii) (a) The OWNER shall submit weekly for each week in which any Agreement work is performed a copy of all payrolls to HUD or its designee if the agency is a party to the contract, but if the agency is not such a party, the OWNER will submit the payrolls to the applicant sponsor for transmission to HUD or its designee. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i) except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <http://www.dol.gov/esa/whd/forms/libraryforms/> or its successor site. The OWNER is responsible for the submission of copies of payrolls by all contractor and subcontractors. OWNER and each contractor and subcontractor shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to HUD or its designee if the agency is a party to the Agreement, but if the agency is not such a party, the OWNER will submit the payrolls to the applicant sponsor for transmission to HUD or its designee, the OWNER, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this subparagraph for OWNER to require a contractor or subcontractor to provide addresses and social security numbers to the OWNER for its own records, without weekly submission to HUD or its designee. (Approved by the Office of Management and Budget under OMB Control Number 1215-0149.)

(b) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the OWNER or contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the Agreement or contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under 29 CFR 5.5(a)(3)(ii), the appropriate information is being maintained under 29 CFR 5.5(a)(3)(i), and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in 29 CFR Part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the Agreement or contract.

(c) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by subparagraph A.3.(ii)(b).

(d) The falsification of any of the above certifications may subject the OWNER or contractor or subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code.

(iii) The OWNER and each contractor and subcontractor shall make the records required under subparagraph A.3.(i) available for inspection, copying, or transcription by authorized representatives of HUD or its designee or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the OWNER or contractor or subcontractor fails to submit the required records or to make them available, HUD or its designee may, after written notice to the OWNER, sponsor, applicant, contractor or subcontractor, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

4. Apprentices and Trainees.

(i) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the OWNER as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where OWNER is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the OWNER'S or contractor's or subcontractor's

registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the OWNER will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the OWNER will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under 29 CFR Part 5 shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.

5. Compliance with Copeland Act requirements. The OWNER shall comply with the requirements of 29 CFR Part 3 which are incorporated by reference in this Agreement.

6. Subcontracts. The OWNER or contractor or subcontractor will insert in any contracts and subcontracts the clauses contained in subparagraphs 1 through 11 in this paragraph A and such other clauses as HUD or its designee may by appropriate instructions require, and a copy of the applicable prevailing wage decision, and also a clause requiring the contractors or subcontractors to include these clauses in any lower tier subcontracts. The OWNER shall be responsible for the compliance by any contractor or subcontractor with all the contract clauses in this paragraph.

7. Contract termination; debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the Agreement and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

8. Compliance with Davis-Bacon and Related Act Requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR Parts 1, 3, and 5 are herein incorporated by reference in this Agreement.

9. Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this Agreement shall not be subject to the general disputes clause of this Agreement. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the OWNER (or any of its contractors or subcontractors) and HUD or its designee, the U.S. Department of Labor, or the employees or their representatives.

10. (i) Certification of Eligibility. By entering into this Agreement the OWNER certifies that neither it (nor he or she) nor any person or firm who has an interest in the OWNER'S firm is a person or firm ineligible to be awarded Government contracts by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.

(ii) No part of this Agreement shall be contracted or subcontracted to any person or firm ineligible for award of a Government contract by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001. Additionally, U.S. Criminal Code, Section 1010, Title 18, U.S.C., "Federal Housing Administration transactions", provides in part: "Whoever, for the purpose of . . . influencing in any way the action of such Administration..... makes, utters or publishes any statement knowing the same to be false...shall be fined not more than \$5,000 or imprisoned not more than two years, or both."

11. Complaints, Proceedings, or Testimony by Employees. No laborer or mechanic to whom the wage, salary, or other labor standards provisions of this Agreement are applicable shall be discharged or in any other manner discriminated against by the OWNER or any contractor or subcontractor because such employee has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable under this Agreement to his employer.

B. Contract Work Hours and Safety Standards Act. The provisions of this paragraph B are applicable where the amount of the prime contract exceeds \$100,000. As used in this paragraph, the terms "laborers" and "mechanics" include watchmen and guards.

(1) Overtime requirements. Neither OWNER nor any contractor or subcontractor contracting for any part of the Agreement work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which the individual is employed on such work to work in excess of 40 hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of 40 hours in such workweek.

(2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in subparagraph (1) of this paragraph, the OWNER and any contractor and subcontractor responsible therefor shall be liable for the unpaid wages. In addition, OWNER and such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in subparagraph (1) of this paragraph, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of 40 hours without payment of the overtime wages required by the clause set forth in subparagraph (1) of this paragraph.

(3) Withholding for unpaid wages and liquidated damages. HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the OWNER or contractor or subcontractor under any such Agreement or any other Federal contract with the OWNER, or any other Federally-assisted contract subject to the Contract Work Hours and Safety Standards Act which is held by the OWNER, such sums as may be determined to be necessary to satisfy any liabilities of OWNER or such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (2) of this paragraph.

(4) Subcontracts. The OWNER or contractor or subcontractor shall insert in any contracts or subcontracts the clauses set forth in subparagraph (1) through (4) of this paragraph and also a clause requiring the contractor or subcontractor to include these clauses in any lower tier contracts or subcontracts. The OWNER shall be responsible for compliance by any contractor or subcontractor with the clauses set forth in subparagraphs (1) through (4) of this paragraph.

C. Health and Safety. The provisions of this paragraph C are applicable where the amount of the prime contract exceeds \$100,000.

(1) No laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his health and safety as determined under construction safety and health standards promulgated by the Secretary of Labor by regulation.

(2) The OWNER shall comply with all regulations issued by the Secretary of Labor pursuant to Title 29 Part 1926 and failure to comply may result in imposition of sanctions pursuant to the Contract Work Hours and Safety Standards Act, (Public Law 91-54, 83 Stat 96; 40 USC 3701 et seq.).

(3) The OWNER shall include the provisions of this paragraph in every contract and subcontract so that such provisions will be binding on each contractor and subcontractor. The OWNER shall take such action with respect to any contractor or subcontractor as the Secretary of Housing and Urban Development or the Secretary of Labor shall direct as a means of enforcing such provisions.