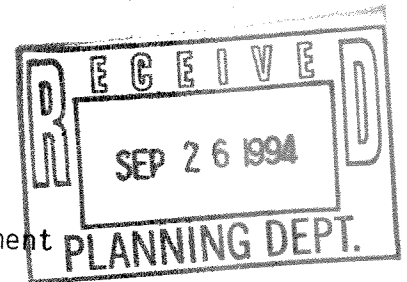


MINUTES OF THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY, CALIFORNIA

ECD

Inc. Cities-As listed
Agreements

JUNE 14, 1994



FROM: THOMAS R. LAURIN, Director
Department of Economic and Community Development

SUBJECT: 1994-97 COMMUNITY DEVELOPMENT BLOCK GRANT
CITY-COUNTY DELEGATE AGENCY AGREEMENTS

RECOMMENDATION: Approve Community Development Block Grant (CDBG) City-County Delegate Agency Agreements for fiscal years 1994 through 1997, between the County and each of the following sixteen Cooperating Cities:

<u>CITY</u>	<u>AGREEMENT NO.</u>	<u>CITY</u>	<u>AGREEMENT NO.</u>
Adelanto	94-496	Loma Linda	94-504
Apple Valley	94-497	Montclair	94-505
Barstow	94-498	Needles	94-506
Big Bear Lake	94-499	Redlands	94-507
Chino Hills	94-500	Rialto	94-508
Colton	94-501	Twentynine Palms	94-509
Grand Terrace	94-502	Yucca Valley	94-510
Highland	94-503	Yucaipa	94-511

BACKGROUND INFORMATION: On June 29, 1993, the County executed a Cooperation Agreement with each of the above sixteen cities for joint participation in the County's CDBG Program for program years 1994 through 1997. This qualified the County, under federal statutes and regulations, as an "Urban County" eligible to receive annual CDBG entitlement funds from the federal government over the next three years. In order to set forth detailed arrangements for the implementation of the City projects funded under the CDBG program, it is necessary to enter into an additional set of agreements with the Cooperating Cities. Under these agreements the cities are established as "Delegate Agencies" of the County, to carry out CDBG activities within their jurisdictions under the direction of the County Department of Economic and Community Development. The City of Victorville also participates in the County's CDBG program. The Department will present a delegate agency agreement for that city at a future hearing. At this time, the City of Victorville has not returned its signed agreements.

cc: ECD w/agreement
City w/agr c/o ECD
Auditor w/agreement
Human Res.-Aff. Action
Risk Management
EMG
File w/agreement

cls

Action of the Board of Supervisors
AGREEMENTS AS LISTED ABOVE

APPROVED BOARD OF SUPERVISORS
COUNTY OF SAN BERNARDINO

MOTION AYE AYE SECOND AYE MOTION
1 2 3 4 5

EARLENE SPROAT, CLERK OF THE BOARD

BY *Cheryl Smith*

DATED : JUNE 14, 1994

1994-97 COMMUNITY DEVELOPMENT BLOCK GRANT CITY-COUNTY
DELEGATE AGENCY AGREEMENTS
JUNE 14, 1994
Page 2 of 2

REASON FOR RECOMMENDATION: Approval of agreements by the Board of Supervisors is required. The Delegate Agency Agreements and their attachments form implementation manuals which specify procedures, sequences, responsibilities, and forms to be used to carry out CDBG activities according to local, state, and federal requirements.

REVIEW BY OTHERS: These agreements were approved by the City Councils of the sixteen Cooperating Cities; by Deputy County Counsel Paul St. John on June 1, 1994; Risk Management (Kathryn Brill) on June 2, 1994; and the Department of Economic and Community Development's Contract Compliance designee (David Larsen) on June 1, 1994.

FINANCIAL DATA: Approval of these agreements will not affect the County General Fund.

PRESENTER: Thomas R. Laurin, Director, Ext. 4594.



County of San Bernardino

F A S

CONTRACT TRANSMITTAL

FOR COUNTY USE ONLY

E	☒	New	Vendor Code		Dept.	Contract Number	
M	☐	Change			SC	ECD	A
X	☐	Cancel			94-507		
County Department			Dept.		Orgn.	Contractor's License No.	
Economic and Community Development			ECD		PROJ		
County Department Contract Representative			Ph. Ext.		Amount of Contract		
THOMAS R. LAURIN			4594		N/A		
Fund	Dept.	Organization	Appr.	Obj/Rev Source	Activity	GRC/PROJ/JOB Number	
SBA	ECD	PROJ	200	2005			
Commodity Code			Estimated Payment Total by Fiscal Year				
Project Name			FY	Amount	I/D	FY	Amount
1994-97 CDBG City/County			N/A	N/A			
Delegate Agency Agreements							

CONTRACTOR City of Redlands

Birth Date N/A Federal ID No. or Social Security No. N/A

Contractor's Representative Mr. Gary Luebbbers, City Manager

Address P.O. Box 3005, Redlands, CA 93273 Phone 909-798-7510

Nature of Contract: (Briefly describe the general terms of the contract)

In compliance with the requirements of Title I of the Housing and Community Development Act of 1974, as amended, the County executed Cooperation Agreements with seventeen incorporated cities to qualify as an "urban county" through mutual cooperation to undertake or assist in undertaking essential community development and housing activities. This was accomplished on June 29, 1993, when said Agreements were executed for joint participation in the CDBG project for Program Years 1994 through 1997.

Pursuant to Section 12 of the Cooperation Agreements, the Delegate Agency Agreements and their attachments are set forth to further implement the provisions of the Cooperation Agreements. They specify the procedures, sequences, responsibilities and forms to be used to carry out CDBG activities according to local, state and federal requirements. The Delegate Agency Agreements are specifically subordinate and supplementary to and concurrent with the Cooperation Agreements.

Attach this transmittal to all contracts not prepared on the "Standard Contract" form.

Approved as to Legal Form

Reviewed as to Affirmative Action

Reviewed for Processing

County Counsel

6-1-94

Approved for Processing

COMMUNITY DEVELOPMENT BLOCK GRANT
CITY-COUNTY DELEGATE AGENCY AGREEMENT
For Fiscal Years 1994-95, 1995-96, 1996-97

This Agreement is made and entered into this JUN 14 1994 day of 19____, by and between the COUNTY OF SAN BERNARDINO hereinafter referred to as "COUNTY", and the CITY OF Redlands, a municipal corporation and a political subdivision of the State of California located within the boundaries of San Bernardino County, hereinafter referred to as "CITY".

WITNESSETH

WHEREAS, COUNTY has been designated an "Urban County" by the United States Department of Housing and Urban Development, hereinafter referred to as "HUD", as that term is defined in Title I of the Housing and Community Development Act of 1974 as amended, hereinafter referred to as "ACT", and accordingly, COUNTY will administer a Community Development Block Grant (CDBG) program which includes the development of a Final Statement of Community Development Objectives and Projected Use of Funds, hereinafter referred to as "COMMUNITY DEVELOPMENT PLAN", which constitutes COUNTY's application for Federal assistance under said ACT; and,

WHEREAS, CITY and COUNTY have entered into a "Cooperation Agreement for Community Development Block Grant Funds", as part of COUNTY's CDBG Program, covering Fiscal Years 1994-95, 1995-96 and 1996-97, to which this is a subordinate and supplementary agreement per Section 12 (Other Agreements) of said Cooperation Agreement executed by these parties, dated June 29, 1993; and,

WHEREAS, COUNTY administers a CDBG program in cooperation with seventeen cities, and in the unincorporated areas of San Bernardino County, through County Department of Economic and Community Development, hereinafter referred to as "ECD"; and,

WHEREAS, CITY has the ability to manage and administer CDBG projects; and,

WHEREAS, CITY chooses to assume the responsibility of project implementation within its corporate limits in cooperation with COUNTY; and,

WHEREAS, both COUNTY and CITY seek to coordinate their efforts to maximize utilization of personnel and resources and increase efficiency and economies in the planning and administration of the program hereinafter set forth.

NOW, THEREFORE, it is understood and agreed by and between the parties hereto as follows:

1. PURPOSE. This Agreement is made pursuant to the provisions of Article 1, Chapter 5, Division 7, Title I of the Government Code of the State of California (commencing with Section 6500), relating to public agencies. The purpose of this Agreement is to implement the provisions of the Cooperation Agreement in carrying out CDBG activities which have been approved by COUNTY for CITY in accordance with the COMMUNITY DEVELOPMENT PLAN. The purpose will be

accomplished pursuant to the requirements of the ACT, its regulations and other Federal, State and County laws and policies in the manner hereinafter set forth.

2. EFFECTIVE PERIOD. This Agreement shall become effective starting fiscal year 1994-95 which begins July 1, 1994 and shall continue in full force and effect through fiscal year 1996-97 which ends on June 30, 1997. COUNTY may grant an extension of up to six (6) months of the effective period of this Agreement for the purpose of completing CITY's projects/activities which are underway and cannot be completed during the term of this Agreement. CITY must request any such extension in writing. Any extension will only be effective if granted in writing by COUNTY. Maintenance and operation and monitoring requirements for facilities developed under the terms of the Agreement shall be in effect and continue in full force as prescribed in Section 9.
3. AUTHORIZATION OF PROJECT/ACTIVITY. CITY shall not initiate nor incur expenses for any CDBG funded project or activity covered under the terms of this Agreement prior to receiving written authorization from COUNTY. Written authorization will be accomplished when Attachments A (Request to Initiate Project or Activity) and B (Project or Activity Description) of this Agreement have been completed for a CDBG funded project or activity and signed by CITY and countersigned by ECD. Any such authorized Project or Activity shall hereinafter be referred to as an "AUTHORIZED PROJECT".
4. IMPLEMENTATION OF AUTHORIZED PROJECT. CITY agrees to implement AUTHORIZED PROJECTS in the manner prescribed in the Delegate Agency Coordination Procedures (Attachment C), using the forms and language contained in the Delegate Agency Construction Contract Provisions (Attachment D), and agrees to comply with all applicable local, county, State and Federal regulations associated with the implementation of CDBG projects.

CITY may contract for all necessary services to complete AUTHORIZED PROJECTS described on its executed Attachment's A and B provided that contracts are submitted to and approved in writing by ECD prior to their execution. CITY Attorney is responsible for assuring and certifying that the AUTHORIZED PROJECT undertaken by the CITY's contracting party complies with all applicable regulations and statutes, as amended, listed in Attachment C Section IV.
5. MODIFICATION OF AUTHORIZED PROJECTS. All modifications to AUTHORIZED PROJECT must be preapproved by COUNTY in order to be considered a part of AUTHORIZED PROJECT and eligible for reimbursement by COUNTY. CITY may request modification(s) to CDBG funding levels authorized by Attachment A or the pertinent Project Description (i.e. Scope of Activity) authorized by Attachment B. Upon receipt of a written request from CITY, and approval by COUNTY, COUNTY will revise Attachments A and B.
6. COMMUNITY DEVELOPMENT PLAN AMENDMENT. Requests by CITY to add, delete or substantially modify an activity listed in the COMMUNITY DEVELOPMENT PLAN must be made in writing to COUNTY. Requests to add new activity(ies) must be accompanied by a CDBG project proposal application.

Substantial modifications are defined as follows: 1) a net increase of greater than 100% of the activity allocation listed in a published Final Statement; or 2) a net increase or decrease in the activity allocation greater than \$50,000; or 3) a change in the type of activity; or 4) a change in the location of the activity; or 5) a change in the beneficiaries of the activity. The Final Statement shall be amended when an activity is added or deleted. The "program administration" activity and "unprogrammed funds" activity are not subject to the allocation limitations defined herein.

Requests for additions and substantial modifications will be reviewed by COUNTY for eligibility and compatibility with the COMMUNITY DEVELOPMENT PLAN. Additions, deletions and substantial modifications must be approved by CITY Council action and supportive documentation for said action must be sent to COUNTY. CITY shall comply with the requirements of and participate in the implementation of the citizen participation portion of the COMMUNITY DEVELOPMENT PLAN.

7. COUNTY RESPONSIBILITIES. COUNTY, through ECD, is empowered to enforce all Federal regulations pertaining to CDBG funded projects undertaken by CITY under this Agreement. CITY recognizes that COUNTY, as the formal grantee of the CDBG, has full responsibility and obligations to HUD for undertaking the CDBG Program and has full authority in administering and allocating funds. CITY will have no direct responsibilities or obligations to HUD, except as identified, under this Agreement. COUNTY shall provide technical assistance to CITY in a timely and expeditious manner upon written request to the Director of ECD.

8. CONFORMANCE TO COUNTY PROCEDURES. Under this Agreement, CITY elects to be responsible for carrying out CDBG projects. However, in implementing said projects, CITY must perform all services and activities in accordance with Federal and State statutory requirements and with the policies and procedures established by the Board of Supervisors, and shall comply with the following:

- A. COMMUNITY DEVELOPMENT ADMINISTRATOR. Upon COUNTY and CITY's mutual assent to this Agreement, CITY will designate a "Community Development Administrator" by filling in the name of said person in the space provided below. The Community Development Administrator is the responsible authority for all correspondence with COUNTY, the signatory on AUTHORIZED PROJECT Attachments A and B and shall advise the CITY council, CITY administration and CITY staff, as appropriate regarding the CDBG program. CITY may, by written notification as set forth below, change the Community Development Administrator.

CITY's Community Development Administrator for this Agreement is

Paula Rae Espinoza, TITLE: CDBG Administrator

- B. FISCAL CONTACT PERSON. For purposes of this Agreement, CITY shall also designate a fiscal contact person by filling in the space provided below. The fiscal contact person shall be responsible for billing, and fiscal procedures regarding the CDBG Program and will serve as the primary contact for technical fiscal matters. CITY may, by written notification asset forth below, change the fiscal contact person.

CITY's Fiscal Contact person for this Agreement is

Paula Rae Espinoza, TITLE: CDBG Administrator

- C. CITY shall be responsible for maintaining complete and separate fiscal accounts for CDBG funds which come under its control in such manner as to permit the reports required by COUNTY to be prepared therefrom and to permit the tracing of CDBG funds to their final expenditure. CITY will submit to ECD complete and detailed project descriptions, budgets, and expenses for each project that CITY implements with CDBG funds along with monthly reports of grant expenditures.
9. MAINTENANCE AND OPERATION OF FACILITIES. CITY shall provide maintenance and operation for the life of any and all facilities constructed with CDBG funds under this Agreement that are CITY owned or operated, for the life of the facility, not less than twenty (20) years.
10. FUNDING LIMITS. CDBG funding of AUTHORIZED PROJECTS is limited to the amount allocated by CITY in AUTHORIZED PROJECT'S Attachment A.
11. DISBURSEMENT OF FUNDS. All CDBG funds allocated to CITY'S AUTHORIZED PROJECT(S) shall be received from the Federal Government by COUNTY under ACT. ECD will disburse the funds to CITY on a cost reimbursement basis. Billing shall be accompanied by all pertinent source documentation to be presented to ECD by CITY on or about the first day of each month, allowing 15 days for payment on the part of ECD. COUNTY shall be entitled to retain from such funds such amount as is calculated as the direct costs (including, but not limited to, salaries, benefits, mileage, actual cost of materials, meals and other authorized expenses allowable under the Travel Code-Section 13.0638 County of San Bernardino) incurred by COUNTY in implementing CITY'S AUTHORIZED PROJECTS.
12. WITHHOLDING OF FUNDS. COUNTY shall retain the right to withhold funds for any programs carried out by CITY, CITY'S Contractor, or CITY'S subcontractor upon giving written notice to CITY indicating that COUNTY has determined that CITY has not performed its obligations as stated in this Agreement in a satisfactory or timely manner consistent with Federal regulations or policy. COUNTY shall notify CITY in writing of this determination, specifying the objection(s) to CITY'S performance. CITY shall then have a maximum of 10 days in which to remedy said deficiencies. Should approval of COUNTY not be obtained within said period, COUNTY shall have full authority to reallocate CITY'S CDBG program funding to other eligible activities which can be implemented or to assume sole responsibility

for carrying out any and/or all AUTHORIZED PROJECTS, upon written notice to CITY. Upon such notice, CITY agrees to cease all activity provided hereunder, as specified in said notice.

13. PROGRAM INCOME. Program income represents net income directly generated from the use of CDBG funds by CITY as a result of the activity funded under the terms of this Agreement. When such income is generated by an activity only partially assisted with CDBG funds, the income shall be prorated to reflect the percentage of CDBG funds used. CITY shall retain the use of program income by returning program income to COUNTY and requesting project budget increases for activities authorized under this Agreement. Program income shall be returned to COUNTY within thirty (30) days after: a) disposition or sale of real or personal property occurs or; b) cumulative program income reaches increments of one thousand dollars (\$1,000); or c) the end of each fiscal year. CITY shall include the reports required by Section 14, PROGRAM REPORTING, all sources and amounts of program income on a monthly and year-to-date basis.

Program income returned by COUNTY to CITY shall be spent by CITY on only those costs authorized under this Agreement. All provisions of this Agreement shall apply to said use of program income funds. CITY shall account for the receipt and use of program income in such a way that program income is spent on AUTHORIZED PROJECTS before additional CDBG funds are spent.

Any program income on-hand when this Agreement expires or is received after such expiration, shall be paid to COUNTY.

14. PROGRAM REPORTING. CITY agrees to prepare and submit financial, program progress, evaluations, and other reports as required by HUD or COUNTY directives. CITY shall maintain such property, personnel, financial and other records and accounts as are considered necessary by HUD or COUNTY to assure proper accounting for all AUTHORIZED PROJECT funds. All CITY records, with the exception of confidential client information, shall be made available to representatives of COUNTY and the appropriate Federal agencies. CITY is required to submit data necessary to complete the Annual Grantee Performance Report in accordance with HUD regulations in the format and at the time designated by COUNTY Director of ECD or his designee. By the first of each month, CITY shall submit to ECD, a monthly status report on all active AUTHORIZED PROJECTS(S) and if applicable, program income generating activities (see Attachment D-3).

15. MONITORING. ECD Director or his designee will conduct periodic monitoring of CITY administration of AUTHORIZED PROJECTS. Monitoring will focus on the extent to which the COMMUNITY DEVELOPMENT PLAN has been implemented and measurable goals achieved, effectiveness of project management, and impact of the AUTHORIZED PROJECTS. Authorized representatives of COUNTY and HUD shall have the right of access to all activities and facilities operated by CITY under this Agreement. Facilities include all files, records, and other documents related to the performance of this Agreement. CITY will permit on-site inspection by COUNTY, and HUD representatives, and insure that its employees furnish such information, as in the

judgement of COUNTY and HUD representatives, may be relevant to a question of compliance with contractual conditions and HUD directives, or the effectiveness, legality, and achievements of the program.

16. ACCOUNTING. CITY must establish and maintain on a current basis an adequate accrual accounting system in accordance with generally accepted accounting principles and standards.
17. AUDITS. CITY is required to arrange for an independent financial and compliance audit annually for each fiscal year during which Federal funds are received under this Agreement as required by Circular A-128 pursuant to the Single Audit Act of 1984, Public Law 98-502. The results of the single audit must be submitted to COUNTY within thirty (30) days of completion. Within thirty (30) days of the submittal of said audit report, CITY shall provide a written response to all conditions or findings reported in said audit report. The response must examine each condition or finding and explain a proposed resolution, including a schedule for correcting any deficiency. All condition or finding correction actions shall take place within six (6) months after ECD's receipt of the audit report. An audit may also be conducted by Federal, State or local funding source agencies as part of the COUNTY's audit responsibilities. COUNTY and its authorized representatives shall, at all times, have access for the purpose of audit or inspection to any and all books, documents, papers, records, property, and premises of CITY. CITY's staff will cooperate fully with authorized auditors when they conduct audits and examinations of CITY's program. If indications of misappropriation or misapplication of the funds of this Agreement cause COUNTY to require a special audit, the cost of the audit will be encumbered and deducted from funds allocated to CITY CDBG AUTHORIZED PROJECTS. Should COUNTY subsequently determine that the special audit was not warranted, the amount encumbered will be restored to said CDBG AUTHORIZED PROJECT allocations. Should the special audit confirm misappropriation or misapplication of funds, CITY shall reimburse COUNTY the amount of misappropriation or misapplication from non-CDBG funding sources.
18. REVERSION OF ASSETS. Upon Agreement termination CITY shall transfer to COUNTY all CDBG funds on-hand at the time of expiration and any accounts receivable attributable to the use of CDBG funds.

All real property acquired or improved in whole or in part with CDBG funds in excess of \$25,000 under this Agreement must continue in the use that provides the service benefits and national objectives for which it was funded until five years after expiration of this Agreement, or such longer period of time as determined by COUNTY; or it must be disposed of in a manner resulting in a reimbursement to COUNTY in the amount of the current fair market value of the property less any portion thereof attributable to expenditures of non-CDBG funds for the acquisition of, or improvement to, the property.
19. TERMINATION AND TERMINATION COSTS. This Agreement may be terminated in whole or in part at any time by either party upon giving their (30) days notice in writing to the other party. An agreement must be reached by both parties as to reasons and conditions for termination in compliance with the provisions of Federal Regulations at 24 CFR Part 85.44, Termination for Convenience. COUNTY ECD is

hereby empowered to give said notice subject to ratification by the COUNTY Board of Supervisors.

COUNTY may immediately terminate this Agreement upon the termination, suspension, discontinuation or substantial reduction in HUD CDBG funding for the Agreement activity or if for any reason the timely completion of the work under this Agreement is rendered improbable, infeasible or impossible. If CITY materially fails to comply with any term of this Agreement, COUNTY may take one or more of the actions provided under the Federal Regulation at 24 CFR Part 85.43, Enforcement, which include temporarily withholding cash, disallowing non-compliant costs, wholly or partly terminating the award, withholding future awards, and other remedies that are legally available. In such event, CITY shall be compensated for all services rendered and all necessarily incurred costs performed in good faith in accordance with the terms of this Agreement that have been previously reimbursed, to the date of said termination to the extent that CDBG funds are available from HUD.

20. PROJECT ACKNOWLEDGEMENT. Should CITY determine that the funding sources or the names of responsible public officials be displayed on a completed building or significant project, such identification should be acknowledged on a plaque, permanently mounted in an appropriate location, made of bronze or other appropriate material, acknowledging the funding source as the Department of Housing and Urban Development, San Bernardino County Community Development Block Grant. The current Board of Supervisors and the members of the City Council shall also be identified. In instances where multiple funding sources are utilized to construct a project, all funding sources shall be identified. The listing order of multiple funding sources identified on the plaque shall be the largest dollar amount first, the second largest dollar amount second, etc.
21. CONTRACT COMPLIANCE. CITY will take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible in compliance with provisions of Title 24 Code of Federal Regulations Part 85.36(e). CITY agrees that the San Bernardino County Minority and Women Owned Business Enterprise Participation form (Attachment E) shall be completed for all AUTHORIZED PROJECTS.

San Bernardino County has a goal of 15 percent minority business enterprise (MBE) and 5 percent women business enterprise (WBE) participation for all contracts. CITY agrees to comply with the provisions of the Affirmative Action Compliance Program of the County of San Bernardino and rules and regulations adopted pursuant thereto. CITY shall comply with Executive Orders 11246, 11375, 11625, 12138, 12432, 12250, Title VII of the Civil Rights Act of 1964, the California Fair Employment Practice Act, California Public Contracts Code 2000 and the San Bernardino County M/WBE Policy No. 11-15, and other applicable Federal, State and County laws, regulations and policies relating to equal employment and contracting opportunities, including laws and regulations hereafter enacted.

22. AFFIRMATIVE ACTION. CITY shall make every effort to ensure that all projects funded wholly or in part by CDBG funds shall provide equal employment and career advancement opportunities for minorities and women. In addition, CITY shall make every effort to employ residents

of the area and shall keep a record of CITY staff positions that have been funded directly by or as a result of this program.

23. DISCRIMINATION. During the performance of this Agreement, CITY agrees not to discriminate against any contractor or applicant for employment in performing work because of race, color, religion, sex or national origin. CITY further agrees to take affirmative action to ensure that its contractors employ and treat all employees during employment without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, lay off or termination, etc. CITY will cause contractor to comply with the provisions of Executive Order 11246 of September 24, 1965, and the rules, regulations, and relevant orders of the Secretary of Labor. CITY shall require its contractor to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

24. STANDARDS OF CONDUCT. Pursuant to Office of Management and Budget Circular A-110 Attachment O and 24 CFR 570.611, Conflict of Interest, and 24 CFR Part 85.36, Procurement, CITY shall maintain a written code or standards of conduct which shall govern the performance of their officers, employees or agents engaged in the award and administration of contracts supported by Federal funds. No employee, officer or agent of the CITY shall participate in selection, award, or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:

- a. The employee, officer or agent;
- b. Any member of his immediate family;
- c. His or her partner; or
- d. An organization which employs, or is about to employ, any of the above, has financial or other interest in the firm selected for award.

The CITY's officers, employees or agents shall neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to subagreements.

CITY may set minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value.

To the extent permitted by State or local law or regulations, such standards of conduct shall provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the CITY's officers, employees, or agents, or by contractors or their agents.

25. RELIGIOUS PROSELYTIZING OR POLITICAL ACTIVITIES. CITY agrees that it will not perform or permit any religious proselytizing or political activities in connection with the performance of this Agreement. Funds under this Agreement will be used exclusively for performance of the work required under this Agreement and no funds

made available under this Agreement shall be used to promote any religious or political activities.

26. HOLD HARMLESS. CITY shall indemnify and hold the COUNTY, its officers, agents, volunteers and employees, harmless from and against any loss, liability, claim, or damage that may arise or result from activities of CITY, its officers, agents, volunteers and employees; and, CITY shall, at its own cost, expense and risk, defend any legal proceedings that may be brought against COUNTY, its officers, agents and employees, on any liability, claim or demand and satisfy any judgement that may be rendered against any of them arising or resulting from activities of CITY, its officers, agents and employees. CITY shall assume liability for all and any direct expense incurred in providing services pursuant to this Agreement and shall assume any and all responsibilities for loss or damage resulting from negligence, injury, illness or disease arising out of the provision of services. CITY, however, is obligated to promptly notify COUNTY in writing of the occurrence of any such loss or damage.

CITY shall indemnify and hold harmless COUNTY against any liability, claims, losses, demands, and actions incurred by COUNTY as a result of the determination by the United States Department of Housing and Urban Development or its successor that activities undertaken by CITY under the program or programs fail to comply with any laws, regulations or policies applicable thereto or that any funds billed by and disbursed to CITY under this Agreement were improperly expended.

Consistent with all other provisions of this Agreement, COUNTY shall, at its own cost and expense, defend, indemnify, and hold the CITY, its officers, agents, volunteers and employees, harmless from and against any loss, liability, claim, or damage that may arise or result from any wrongful act or wrongful omission by COUNTY, its officers, agents and employees.

27. INDEMNIFICATION AND INSURANCE. In order to accomplish the indemnification provision of Section 26, Hold Harmless, but without limiting the indemnification, contractor(s) and sub-contractor(s) obtained by CITY for activities covered under the terms of this Agreement, shall secure and maintain throughout the term of their contract with CITY, the following types of insurance with limits as shown:

- Workers' Compensation - 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 \$250,000 limits, covering all persons providing services on behalf of the Contractor and all risks to such persons under this Agreement.
- Comprehensive General and Automobile Liability Insurance - this coverage to include contractual coverage and automobile liability coverage for owned, hired, and non-owned vehicles. The policy shall have combined single limits for bodily injury and property damage of not less than one million dollars (\$1,000,000).

The contractor shall furnish certificates of insurance and certified copies of all policies and endorsements to CITY and ECD evidencing the insurance coverage above required prior to the commencement of performance of services, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the CITY and ECD, and shall maintain such insurance from the time contractor commences performance of services hereunder until the completion of such services. In the event of any damage or destruction to facilities funded in whole or in part by CDBG funds, CITY shall use the entire insurance proceeds to restore said facilities.

All policies with respect to the insurance coverage required above, except for Workers' Compensation insurance coverage, shall contain additional endorsements naming COUNTY, and their employees, agents, volunteers and officers as additional named insured with respect to liabilities arising out of the performance of services hereunder.

The Contractor shall require the carriers of the above required coverages to waive all rights of subrogation against ECD and COUNTY, their officers, volunteers, employees, contractors and subcontractors.

All policies required above are to be primary and non-contributing with any insurance or self-insurance programs carried or administered by the CITY or COUNTY.

28. ATTORNEY'S FEES. If any action at law or in equity is brought to enforce or interpret the provisions of this Agreement, the prevailing party will be entitled to reasonable attorney's fees in addition to any other relief to which it may be entitled.

29. AMENDMENTS: VARIATIONS

This writing with attachments, embodies the whole of this Agreement of the parties hereto. There are no oral agreements not contained herein. Except as herein provided, additional or variation of the terms of this Agreement shall not be valid unless made in the form of a written amendment to this Agreement formally approved and executed by both parties. Failure by any party to enforce any provision(s) of this Agreement shall not be construed as a waiver of the right to compel enforcement of such provision(s) thereafter.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the day and year first written above.

COUNTY OF SAN BERNARDINO

JUN 14 1994

CITY

By: Jim D. Nichols
Chairman, Board of Supervisors

By: Swen Larson
Swen Larson
Title: Mayor of the City of Redlands

Dated: May 3, 1994

APPROVED AS TO FORM. THE TERMS AND PROVISIONS OF THIS AGREEMENT ARE FULLY AUTHORIZED UNDER STATE AND LOCAL LAW AND THIS AGREEMENT PROVIDES FULL LEGAL AUTHORITY FOR COUNTY TO UNDERTAKE OR ASSIST IN UNDERTAKING ESSENTIAL COMMUNITY DEVELOPMENT AND HOUSING ASSISTANCE ACTIVITIES, SPECIFICALLY URBAN RENEWAL AND PUBLICLY ASSISTED HOUSING

ATTEST:

By: Lorrie Poyzer
Lorrie Poyzer, City Clerk
Title: City of Redlands, California

Dated: May 3, 1994

By: Paul St. John
County Counsel

APPROVED AS TO FORM

By: Daniel J. McHugh
Daniel J. McHugh, City Attorney

Dated: May 3, 1994

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIRMAN OF THE BOARD
EARLENE SPROAT
Clerk of the Board of Supervisors
of the County of San Bernardino

By: Chris D. [Signature]
Deputy

AGMTS/DAGENCY.AGT
2/24/94/BT/bjj