

STANDARD AGREEMENTAPPROVED BY THE
ATTORNEY GENERAL

STD. 2 (REV.5-91)

CONTRACT NUMBER

99-DRI-010

AM. NO.

TAXPAYER'S FEDERAL EMPLOYER IDENTIFICATION NUMBER

THIS AGREEMENT, made and entered into this 23RD day of February, 19 2000
in the State of California, by and between State of California, through its duly elected or appointed, qualified and acting

TITLE OF OFFICER ACTING FOR STATE

AGENCY

Director

Department of Housing and Community Development, hereafter called the State, and

CONTRACTOR'S NAME

City of Redlands

, hereafter called the Contractor.

WITNESSETH: That the Contractor for and in consideration of the covenants, conditions, agreements, and stipulations of the State hereinafter expressed, does hereby agree to furnish to the State services and materials as follows: (Set forth service to be rendered by Contractor, amount to be paid Contractor, time for performance or completion, and attach plans and specifications, if any.)

This agreement will provide official notification of the grant award under the State's administration of the Disaster Recovery Initiative Program (hereinafter, "DRI" or "the Program") for jurisdictions pursuant to the provisions under the 1998 Supplemental Appropriations and Recessions Act (Public Law 105-174, 112 Stat.58, et seq., approved May 1, 1998), with respect to the 1998 HUD Disaster Recovery Initiative grant funds. In accepting this grant award, the Grantee agrees to comply with the terms and conditions of this agreement and all attachments hereto, the representations contained in the Grantee's application (hereinafter, "the Application") which is hereby incorporated by reference as if set forth in full, and the requirements of the authorities cited above. For purposes of this agreement, use of the term "Grantee" shall be a reference to "Contractor". Any changes made to the Application after this agreement is executed must receive prior written approval from the State.

Term: The effective date of this agreement is the date stamped by the State in the lower right hand corner of this page. This agreement shall terminate on August 31, 2002.

Grant Amount: The amount to be paid as a grant to the Grantee under this agreement shall not exceed \$1,000,000.00.

Grant Activity: The Grantee agrees to perform the grant activity(ies) as summarized below and on Attachments C & D attached hereto, and as more fully described in the approved Application:

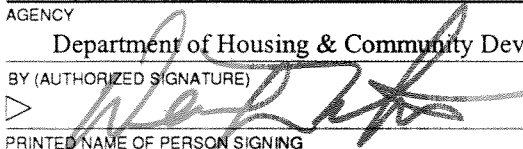
Flood control and drainage repair resulting from the winter storms of 1998.

\$22,500.00 - General Administration
\$977,500.00 - Public Works

CONTINUED ON 24 SHEETS, EACH BEARING NAME OF CONTRACTOR AND CONTRACT NUMBER.

The provisions on the reverse side hereof constitute a part of this agreement.

IN WITNESS WHEREOF, this agreement has been executed by the parties hereto, upon the date first above written.

STATE OF CALIFORNIA		CONTRACTOR			
AGENCY Department of Housing & Community Development		CONTRACTOR (If other than an individual, state whether a corporation, partnership, etc.) City of Redlands			
BY (AUTHORIZED SIGNATURE) 		ATTEST: BY (AUTHORIZED SIGNATURE) 			
PRINTED NAME OF PERSON SIGNING Dennis L. Montgomery		PRINTED NAME AND TITLE OF PERSON SIGNING Pat Gilbreath, Mayor			
TITLE Manager, Business Management Branch		ADDRESS P.O. Box 3005, Redlands, California 92373			
AMOUNT ENCUMBERED BY THIS DOCUMENT \$ 1,000,000.00	PROGRAM/CATEGORY (CODE AND TITLE) 20		FUND TITLE FTF		Department of General Services Use Only Exempt from Department of General Services approval APR 26 2000
PRIOR AMOUNT ENCUMBERED FOR THIS CONTRACT \$ -0-	(OPTIONAL USE) Federal Funds - CDBG		FCN 14.228		
TOTAL AMOUNT ENCUMBERED TO DATE \$ 1,000,000.00	ITEM 2240-101-0890	CHAPTER 50	STATUTE 1999	FISCAL YEAR 1999/00	
OBJECT OF EXPENDITURE (CODE AND TITLE) 2207/46007= \$1,000,000.00		Grant - Governmental 661702			
I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of the expenditure stated above.		T.B.A. NO.		B.R. NO.	
SIGNATURE OF ACCOUNTING OFFICER 		DATE 3/23/00			

☐ CONTRACTOR☐ STATE AGENCY☐ DEPT. OF GEN. SER.☐ CONTROLLER☐

STANDARD AGREEMENT

STD. 2 (REV. 5-81) (REVERSE)

City of Redlands

99-DRI-010

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1. The Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, materialmen, laborers and any other person, firm or corporation furnishing or supplying work services, materials or supplies in connection with the performance of this contract, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by the Contractor in the performance of this contract.
2. The Contractor, and the agents and employees of Contractor, in the performance of the agreement, shall act in an independent capacity and not as officers or employees or agents of State of California.
3. The State may terminate this agreement and be relieved of the payment of any consideration to Contractor should Contractor fail to perform the covenants herein contained at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. The cost to the State shall be deducted from any sum due the Contractor under this agreement, and the balance, if any, shall be paid the Contractor upon demand.
4. Without the written consent of the State, this agreement is not assignable by Contractor either in whole or in part.
5. Time is of the essence in this agreement.
6. No alteration or variation of the terms of this contract shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein, shall be binding on any of the parties hereto.
7. The consideration to be paid Contractor, as provided herein, shall be in compensation for all Contractor's expenses incurred in the performance hereof, including travel and not deemed otherwise expressly so provided.

8. Approved Application

The Grantee agrees to fully perform the grant activity(ies) as described in the approved Application, which is on file at the Department of Housing and Community Development, Division of Community Affairs, 1800 Third Street, Room 390, Sacramento, California. All written materials or alterations submitted from time to time as addenda to the original Application and which are approved in writing by the State prior to the award are hereby incorporated as part of the Application.

9. Completion of Grant Activity

- a. With the exception of the Grant Closing Requirements set forth in Attachment C, the Grantee shall complete the grant activity(ies) by the termination date set forth on page 1 of this agreement, unless a written request for an extension is approved 90 days prior to grant expiration in writing by the State.

10. Agreement Termination

- a. The State may terminate this agreement, in whole or in part, at any time for cause by giving 14 days written notice to the Grantee. Cause shall consist of violations of any terms and/or special conditions of this agreement, upon the request of HUD, or withdrawal of the State's expenditure authority. Upon termination of this agreement, unless otherwise approved in writing by the State, any unexpended funds received by the Grantee shall be returned to the State within 14 days of the Notice of Termination.
- b. It is mutually understood between the parties that this agreement may have been written before ascertaining the availability of congressional appropriation of funds, for the mutual benefit of both parties in order to avoid program and fiscal delays which would occur if the agreement were executed after the determination was made.
- c. This agreement is valid and enforceable only if sufficient funds are made available to the State by the United States Government under the 1998 Supplemental Appropriations and Recessions Act (Public Law 105-174, 112 Stat.58, et seq., approved May 1, 1998), with respect to the 1998 HUD Disaster Recovery Initiative grant funds. In addition, this agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress or State Legislature or any statute enacted by the Congress or the State Legislature, which may affect the provisions, terms or funding of this agreement in any manner.
- d. If Congress does not appropriate sufficient funds for the program, the State may amend the agreement to reflect any reduction in funds or it may terminate this agreement by giving 14 days written notice to the Grantee.

11. Grant Amount

For the purposes of performing the grant activity, the State agrees to pay to Grantee the amount specified on page 1. If, during the term of this agreement, the grantee and the State agree in writing to delete an activity(ies) from the scope of work of this agreement, the State may, by administrative procedure, disencumber the funds associated with that activity(ies) during the term of the agreement without a formal amendment to the agreement. In no instance shall the State be liable for any costs for the grant activity in excess of this amount, nor for any unauthorized or ineligible costs. The Grantee agrees to administer this agreement in accordance with the provisions of Section 7098 through and including Section 7124 of Title 25 of the California Code of Regulations.

12. Leverage/Matching Funds/Program Income

The Grantee shall provide leverage and/or matching funds in the amount specified in Attachment C. The Grantee shall also provide program income, if any, in the amount specified in Attachment C.

13. Method of Payment

The Grantee shall submit all forms to the Department of Housing and Community Development, Community Development Block Grant Program, MS 390-2, P.O. Box 952054, Sacramento, California 94252-2054, or any other address of which the Grantee has been notified in writing. The State shall not authorize payments unless it determines that the grant activity has been performed in compliance with the terms of this agreement and its attachments.

a. Advances and Reimbursements

- 1) For All Activities: To receive an advance or reimbursement for the grant activity performed, the Grantee shall submit, on forms provided by the State, a duly executed Cash Request form, or other form as supplied by the State.
- 2) For Lump Sum Draws for Housing Rehabilitation Activities: If the Grantee is using a lump sum draw down payment method for a Housing Rehabilitation activity, the funds disbursed to the grantee under a lump sum cash request are subject to the expenditure requirements contained in the Federal regulations at 24 CFR 570.513. Any funds drawn down under a lump sum arrangement must be expended by the ending date of this agreement.

b. Final Payment Requests

- 1) For grantees on the advance payment system. All requests for advance payments must be submitted 90 days prior to the expiration date of this agreement.
- 2) For grantees on the reimbursement payment system. All requests for final reimbursement must be submitted within 90 days after the expiration date of this agreement.

- 3) For all requests for any grant funds that have not been previously requested. If the final cash request for funds expended during the contract term has not been requested by the 90th day after this agreement's expiration date, the State will disencumber any funds remaining in the standard agreement.

14. Meeting National Objectives

All grant activities performed under this agreement must meet a national objective of the DRI Program. The national objective for this grant activity is:

Benefit to Targeted Income Group Households

At least 50 percent of the grant award shall principally benefit Targeted Income Group households. Households whose incomes are in the Lowest Targeted Income Group may not be excluded from participation in any DRI-funded activities.

Elimination of Slums and Blight; or Urgent Need

Up to 50 percent of the grant award can meet either of these other two national objectives, as further described in Section H. of the HUD Disaster Recovery Initiative; Notices, published in the Federal Register on October 22, 1998, [Docket No. FR-4398-N-01].

15. Special Conditions

The Grantee agrees to comply with the special conditions, if any, contained in Attachment D.

16. Inspections of Grant Activity

- a. The Grantee shall inspect any grant activity performed hereunder to ensure that the grant activity is being and has been performed in accordance with the applicable Federal, State and/or local requirements, and this agreement.
- b. The State reserves the right to inspect any grant activity performed hereunder to see that the grant activity is being and has been performed in accordance with the applicable Federal, State and/or local requirements, and this agreement.
- c. The Grantee agrees to require that all grant activity found by such inspections not to conform to the applicable requirements be corrected, and to withhold payment to the contractor or subcontractor until it is so corrected.

17. Insurance

The Grantee shall have and maintain in full force and effect during the term of this agreement such forms of insurance, at such levels, as may be determined by the Grantee and the State to be necessary for specific components of the grant activity described in Attachment C.

18. Contractors and Subcontractors

- a. The Grantee shall not enter into any agreement, written or oral, with any contractor without the prior determination by the State of the contractor's eligibility. A contractor or subcontractor is not eligible to receive grant funds if the contractor is not licensed in good standing in California, or is listed on the Federal Consolidated List of Debarred, Suspended, and Ineligible Contractors.
- b. The agreement between the Grantee and any contractor shall require the contractor and its subcontractors, if any, to:
 - 1) Perform the grant activity in accordance with Federal, State and local housing and building codes as are applicable.
 - 2) Comply with the applicable State and Federal requirements described in Attachments A and B of this agreement which pertain to, among other things, labor standards, non-discrimination, Americans with Disabilities Act, Equal Employment Opportunity, and Drug-Free Workplace.
 - 3) Maintain at least the minimum State-required Worker's Compensation Insurance for those employees who will perform the grant activity or any part of it.
 - 4) Maintain, if so required by law, unemployment insurance, disability insurance and liability insurance in an amount to be determined by the State which is reasonable to compensate any person, firm, or corporation who may be injured or damaged by the contractor or any subcontractor in performing the grant activity or any part of it.
 - 5) Retain all books, records, accounts, documentation, and all other materials relevant to the agreement for a period of three (3) years from date of termination of the agreement, or three (3) years from the conclusion or resolution of any and all audits or litigation relevant to the agreement or this standard agreement and any amendments, whichever is later.
 - 6) Permit the State, Federal government, the Bureau of State Audits, the Department of Housing and Community Development and/or their representatives, upon reasonable notice, unrestricted access to any or all books, records, accounts, documentation, and all other materials relevant to the agreement for the purpose of monitoring, auditing, or otherwise examining said materials.

19. Obligations of Grantee with Respect to Certain Third Party Relationships

The Grantee shall remain fully obligated under the provisions of this agreement notwithstanding its designation of any third party or parties for the undertaking of all or any part of the program with respect to which assistance is being provided under this agreement to the Grantee. The Grantee shall comply with all lawful requirements of the State necessary to ensure that the program with respect to which assistance is being provided under this agreement to the Grantee is carried out in accordance with the State's Assurance and Certifications, including those with respect to the assumption of environmental responsibilities of the State under Section 104(h) of the Housing and Community Development Act of 1974.

20. Signs

If the Grantee places signs stating that the State is providing financing, it shall indicate in a typeface and size commensurate with the State's funding portion of the project that the State is a source of financing through the DRI Program.

21. Audit/Retention and Inspection of Records

- a. The Grantee must have intact, auditable fiscal records at all times. If the Grantee is found to have missing audit reports from the State Controller's Office ("SCO") during the term of this agreement, the Grantee will be required to submit a plan to the State, with task deadlines, for submitting the audit to the SCO. If the deadlines are not met, the Grantee will be subject to termination of this agreement and disencumbrance of the funds awarded. The Grantee's audit completion plan is subject to prior review and approval by the State.
- b. Grantee agrees that the Department of Housing and Community Development (HCD) or its delegatee will have the right to review, obtain, and copy all records pertaining to performance of the contract. Grantee agrees to provide HCD or its delegatee with any relevant information requested and shall permit HCD or its delegatee access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with PCC § 10115 et seq., GC § 8546.7 and 2 CCR § 1896.60 et seq. Grantee further agrees to maintain such records for a period of three (3) years after final payment under the contract.

Grantee shall comply with the caveats and be aware of the penalties for violations of fraud and for obstruction of investigation as set forth in PCC § 10115.10.

- c. An expenditure which is not authorized by this agreement or which cannot be adequately documented shall be disallowed and must be reimbursed to the State or its designee by the Grantee. Expenditures for grant activities not described in Attachment C shall be deemed authorized if the performance of such grant activity is approved in writing by the State prior to the commencement of such grant activity.

- d. Absent fraud or mistake on the part of the State, the determination by the State of the allowability of any expenditures shall be final.
- e. Pursuant to OMB Circular A-133, the Grantee shall perform an annual audit at the close of each fiscal year in which this agreement is in effect. Audit costs for this agreement are a general administration expense and are subject to the general administration expenditure limits associated with this agreement. The costs of the DRI-related portion of the audit may be charged to the program in accordance with Public Law 98-502, OMB Circular A-133 and Section 7122 of Title 25 California Code of Regulations.

Notwithstanding the foregoing, the Department will not reimburse the Grantee for any audit cost incurred after the expiration date of this agreement.

- f. The audit shall be performed by a qualified State, local or independent auditor. The contract for audit shall include a clause which permits access by the State to the independent auditor's working papers.
- g. If there are audit findings, the Grantee must submit a detailed response to the State for each audit finding. The State will review the response and, if it agrees with the response, the audit process ends and the State will notify the Grantee in writing. If the State is not in agreement, the Grantee will be contacted in writing and told what corrective actions must be taken. This action could include the repayment of disallowed costs or other remediation.
- h. The State shall not approve any expenditures for the audit prior to receiving an acceptable audit report.
- i. If so directed by the State upon termination of this agreement, the Grantee shall cause all records, accounts, documentation and all other materials relevant to the grant activity to be delivered to the State as depository.

22. State Coordinator

The coordinator of this agreement for the State is the Program Manager of the Community Development Block Grant (CDBG) Program, Division of Community Affairs, or the Program Manager's designee. Unless otherwise notified, the Grantee shall mail all reports and communications required by this agreement by first class mail to the State Coordinator at the address provided in paragraph 13.

23. Conflict of interest of members, officers, or employees of contractors, members of local governing body, or other public officials

No member, officer, or employee of the Grantee, or its designees or agents, no member of the governing body of the locality in which the program is situated, and no other public official of such locality or localities who exercise any functions or responsibilities with respect to the

program during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for grant activities to be performed in connection with the program assisted under this agreement. The Grantee shall incorporate, or cause to be incorporated, in all such contracts or subcontracts a provision prohibiting such interest pursuant to the purposes of this section.

24. Waivers

No waiver of any breach of this agreement shall be held to be a waiver of any prior or subsequent breach. The failure of the State to enforce at any time the provisions of this agreement or to require at any time performance by the Grantee of these provisions, shall in no way be construed to be a waiver of such provisions nor to affect the validity of this agreement or the right of the State to enforce these provisions.

25. Litigation

- a. If any provision of this agreement, or an underlying obligation, is held invalid by a court of competent jurisdiction, such invalidity, at the sole discretion of the Department, shall not affect any other provisions of this agreement and the remainder of this agreement shall remain in full force and effect. Therefore, the provisions of this agreement are, and shall be, deemed severable.
- b. The Grantee shall notify the Department immediately of any claim or action undertaken by or against it which affects or may affect this agreement or the Department, and shall take such action with respect to the claim or action as is consistent with the terms of this agreement and the interests of the State.

26. Certified Resolution

This agreement and any amendments hereto shall be accompanied by a certified resolution from the Grantee's governing body authorizing its execution.

27. Compliance with State and Federal Laws and Regulations

- a. The Grantee agrees to comply with all State laws and regulations that pertain to construction, health and safety, labor, fair employment practices, equal opportunity, and all other matters applicable to the Grantee, its subgrantees, contractors or subcontractors, and the grant activity, and any other State provisions as set forth on Attachment A.
- b. The Grantee agrees to comply with all Federal laws and regulations applicable to the CDBG Program and to the grant activity, and with any other Federal provisions as set forth on Attachment B, except as amended in attachment C, Paragraph 1.

1. Drug-Free Workplace Certification

By signing this agreement, the Grantee hereby certifies under penalty of perjury under the laws of the State of California that the Grantee will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350 et seq.) and will provide a drug-free workplace by taking the following actions:

- a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
- b. Establish a Drug-Free Awareness Program to inform employees about:
 - 1) The dangers of drug abuse in the workplace;
 - 2) The person's or organization's policy of maintaining a drug-free workplace;
 - 3) Any available counseling, rehabilitation and employee assistance programs; and,
 - 4) Penalties that may be imposed upon employees for drug abuse violations.
- c. Every employee who works on the proposed contract will:
 - 1) Receive a copy of the company's drug-free workplace policy statement; and
 - 2) Agree to abide by the terms of the company's statement as a condition of employment on this agreement.
- d. Notifying the U.S. Department of Housing and Urban Development, in writing, within ten calendar days after receiving notice under subparagraph d.ii. from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number (s) of each affected grant;
- e. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph d.ii, with respect to any employee who is so convicted:
 - 1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - 2) Requiring 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;

- f. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs a, b, c, d, e, and f.
- g. Space provided below the site(s) for the performance of work done in connection with specific grant:

2. Nondiscrimination Clause

- a. During the performance of this agreement, the Grantee and its subcontractors shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), medical condition (cancer), age, marital status, denial of family and medical care leave and denial of pregnancy disability leave. Grantee and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. The Grantee and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12900 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this agreement by reference and made a part hereof as if set forth in full. Grantee and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
- b. Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the agreement.

Compliance Requirements—Federal Laws and Regulations

1. Anti-Lobbying Certification

The Grantee shall require that the language of this certification be included in all contracts or subcontracts entered into in connection with this grant activity and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and no more than \$100,000 for such failure.

"The undersigned certifies, to the best of his or her knowledge or belief, 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."

2. Bonus or Commission, Prohibition Against Payments of

The assistance provided under this agreement shall not be used in the payment of any bonus or commission for the purpose of:

- a. obtaining the State's approval of the application for such assistance, or
- b. the State's approval of the applications for additional assistance, or
- c. any other approval or concurrence of the State required under this agreement, Title I of the Housing and Community Development Act of 1974, or the State regulations with respect thereto;

Provided, however, that reasonable fees for bona fide technical, consultant, managerial or other such services, other than actual solicitation, are not hereby prohibited if otherwise eligible as program costs.

3. Citizen Participation

The Grantee is subject to the requirements concerning citizen participation contained in Federal regulations at 24 CFR 570.486, Local Government Requirements.

It will require that the following language be included in the award documents for all subawards at all tiers (including subcontractors, subgrants, and contract under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly;

Citizen Participation. Except as waived, it will:

- a. Furnish citizens or, as appropriate, units of general local government information, concerning the amount of funds available for proposed HUD Disaster Recovery grant activities and the range of activities that may be undertaken, including the estimated amount proposed to be used for activities that will benefit persons of low and moderate income;
- b. Publish a proposed Action Plan for Disaster Recovery in such manner to afford affected citizens or, as appropriate, units of general local government an opportunity to examine its content and to submit comments on the proposed statement and on the community development performance of the grantee;
 - c. Provide citizens or, as appropriate, units of general local government with reasonable notice of, and opportunity to comment on, any substantial change proposed to be made in the use of funds received under this grant from one eligible activity to another or in the method of distribution of such funds; and
- d. Identify how the needs of non-English speaking residents will be met in the case of public hearings where a significant number of non-English speaking residents can be reasonably expected to participate.

4. Clean Air and Water Acts

This agreement is subject to the requirements of the Clean Air Act, as amended, 42 USC 1857 et seq., the Federal Water Pollution Control Act, as amended, 33 USC 1251 et seq., and the regulations of the Environmental Protection Agency with respect thereto, at 40 CFR Part 15, as amended from time to time.

5. Conflict of Interest of Certain Federal Officials

No member of or delegate to the Congress of the United States, and no resident commissioner, shall be admitted to any share or part of this agreement or to any benefit to arise from the same.

6. Environmental Requirements

The Grantee shall comply with the provisions of the National Environmental Policy Act (NEPA) by following the procedures contained in 24 CFR Part 58.

7. Equal Opportunitya. The Civil Rights, Housing and Community Development, and Age Discrimination Acts Assurances

During the performance of this agreement, the Grantee assures that no otherwise qualified person shall be excluded from participation or employment, denied program benefits, or be subjected to discrimination based on race, color, national origin, sex, age, handicap, religion, familial status, or religious preference, under any grant activity funded by this agreement, as required by Title VI of the Civil Rights Act of 1964, Title I of the Housing and Community Development Act of 1974, as amended, the Age Discrimination Act of 1975, the Fair Housing Amendment Act of 1988, and all implementing regulations.

b. The Fair Housing Act (42 U.S.C. 3601-20)

Affirmatively further Fair Housing. It will affirmatively further fair housing as required by 24 Code of Federal Regulations (CFR) part 570.487 (b)(2);

It will not attempt to recover any capital costs of public improvements assisted in whole or in part with funds provided under the HUD Disaster Recovery Initiative by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless:

- Funds received under the HUD Disaster Recovery Initiative are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than under Title I of the Housing and Community Development Act of 1974, as amended; or
- For purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary that it lacks sufficient funds received under the HUD Disaster Recovery Initiative to comply with the requirements of subparagraph a above;

c. Rehabilitation Act of 1973 and the "504 Coordinator"

The Grantee further agrees to implement the Rehabilitation Act of 1973, as amended, and its regulations, 24 CFR Part 8, including, but not limited to, for Grantees with 15 or more permanent full or part time employees, the local designation of a specific person charged with local enforcement of this Act, as the "504 Coordinator."

d. The Training, Employment, and Contracting Opportunities for Business and Lower Income Persons Assurance of Compliance

- 1) The grant activity to be performed under this agreement is on a project assisted under a program providing direct Federal financial assistance from the Department of Housing and Urban Development 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 sets forth numerical goals for meeting the greatest extent feasible requirement, opportunities for training and employment be given lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in the area of the project.

- 2) The parties to this agreement will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR Part 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of this agreement. The parties to this agreement certify and agree that they are under no contractual or other disability which would prevent them from complying with these requirements.
- 3) The Grantee will include these Section 3 clauses in every contract and subcontract for work in connection with the grant activity and will, at the direction of the State, take appropriate action pursuant to the contract or subcontract upon a finding that the Grantee or any contractor or subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, 24 CFR Part 135 and, will not let any contract unless the Grantee or contractor or subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

- 4) Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of this agreement shall be a condition of the Federal financial assistance provided to the grant activity, binding upon the Grantee, its successors, and assigns. Failure to fulfill these requirements shall subject the Grantee, its contractors and subcontractors, its successors, and assigns to those sanctions specified by the agreement through which federal assistance is provided, and to such sanctions as are specified by 24 CFR Part 135.

e. Americans with Disabilities Act (ADA) of 1990

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

f. Assurance of Compliance with Requirements Placed on Construction Contracts of \$10,000 or more

The Grantee hereby agrees to place in every contract and subcontract for construction exceeding \$10,000 the Notice of Requirement for Affirmative Action to ensure Equal Employment Opportunity (Executive Order 11246), the Standard Equal Employment Opportunity, Construction Contract Specifications. The Grantee furthermore agrees to insert the appropriate Goals and Timetables issued by the U.S. Department of Labor in such contracts and subcontracts.

8. Flood Disaster Protection

This agreement is subject to the requirements of the Flood Disaster Protection Act of 1973 (P.L. 93-234). No portion of the assistance provided under this agreement is approved for acquisition or construction purposes as defined under Section 3(a) of said Act, for use in an area identified by the Secretary as having special flood hazards which is located in a community not then in compliance with the requirements for participation in the national flood insurance program pursuant to Section 201(d) of said Act.

The use of any assistance provided under this agreement for such acquisition or construction in such identified areas in communities then participating in the national flood insurance program shall be subject to the mandatory purchase of flood insurance requirements of Section 102(a) of said Act.

Any contract or agreement for the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this agreement shall contain certain provisions. These provisions will apply if such land is located in an area identified by the Secretary as having special flood hazards and in which the sale of flood insurance has been made available under the National Flood Insurance Act of 1968, as amended, 42 U.S.C. 4001 et seq.

These provisions shall obligate the transferee and its successors or assigns to obtain and maintain, during the ownership of such land, such flood insurance as required with respect to financial assistance for acquisition or construction purposes under Section 102(s) of the Flood Disaster Protection Act of 1973. Such provisions shall be required notwithstanding the fact that the construction on such land is not itself funded with assistance provided under this agreement.

9. Labor Standards--Federal Labor Standards Provisions

The Grantee shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of:

Davis-Bacon Act (40 USC 276a - 276a-5) requires that workers receive no less than the prevailing wages being paid for similar work in their locality. Prevailing wages are computed by the Department of Labor and are issued in the form of federal wage decisions for each classification of work. The law applies to most construction, alteration, or repair contracts over \$2,000.

Copeland "Anti-Kickback" Act (47 USC 276(c)) requires that workers be paid at least once a week without any deductions or rebates except permissible deductions.

Contract Work Hours and Safety Standards Act - CWHSSA (40 USC 327 - 333) requires that workers receive "overtime" compensation at a rate of 1-1/2 times their regular hourly wage after they have worked 40 hours in one week.

Title 29, Code of Federal Regulations, Subtitle A, Parts 1, 3 and 5 are the regulations and procedures issued by the Secretary of Labor for the administration and enforcement of the Davis-Bacon Act, as amended.

10. Lead-Based Paint Hazards

The construction or rehabilitation of residential structures with assistance provided under this agreement is subject to the HUD Lead-Based Paint regulations, 24 CFR Part 35. Any grants or loans made by the Grantee for the rehabilitation of residential structures with assistance provided under this agreement shall be made subject to the provisions for the elimination of lead-based paint hazards under subpart B of said regulations, and the Grantee shall be responsible for the inspections and certifications required under Section 35.14(f) thereof.

11. NLRB Certification

The Grantee warrants by execution of this agreement and does swear under penalty of perjury that no more than one final unappealable finding of contempt of court by a Federal Court has been issued against the Grantee within the immediately preceding two-year period because of the Grantee's failure to comply with an order of a Federal Court which orders the Grantee to comply with an order of the National Labor Relations Board (Public Contract Code Section 10296).

12. Procurement

The Grantee shall comply with the procurement provisions in 24 CFR Part 85.36, Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments.

13. Program Income

"Program Income" means gross income earned by the Grantee from grant-funded activities and is subject to CDBG regulatory requirements pursuant to 24 CFR 570.489 (e), Program Administrative Requirements, Program Income.

These regulations include the requirement that the Grantee record receipt and expenditure of program income as part of the financial transactions of the grant activity.

ATTACHMENT B**Compliance Requirements—Federal Laws and Regulations**

Page 8 of 8

Prior to closing out this agreement, the Department shall review the actual national objective and/or public benefit achievements of the Grantee. In the event that the national objective and/or public benefit requirements are not met, the Department may, in its sole discretion, impose any or all of the following remedies: recapture of part or all of the program income; reimbursement of part or all of the grant amount; and/or exclusion of the Grantee from further CDBG funding for a period of time to be determined by the State.

14. Relocation, Displacement, and Acquisition

The provisions of the Uniform Relocation Act, as amended, 49 CFR Part 24, and Section 104(d) of the Housing and Community Development Act of 1974 shall be followed where any acquisition of real property is carried out by the Grantee and assisted in whole or in part by funds allocated by DRI.

In addition, where the rehabilitation of residential rental units results in increased rents for members of the targeted income group, the Grantee shall also comply with the requirements of the above-cited laws. Relocation expenses that may, by law, be paid are eligible expenses for use of DRI funds.

15. Uniform Administrative Requirements

The grantee shall comply with applicable uniform administrative requirements as described in 24 CFR §570.502, including cited sections of 24 CFR part 85.

16. Excessive force. It will require units of general local government that receive Community Development Block Grant funds to certify that they have adopted and are enforcing:

- a. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
- b. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction;

17. Compliance with Applicable Laws. It will comply with other applicable laws.

1. Regarding Attachment B Attachment B to this agreement "Compliance Requirements - Federal Laws and Regulations" shall be modified as follows:
 - a. Labor Standards and National Flood Insurance Program. Pursuant to Section I, Subsections M and N of the 1998 HUD Disaster Recovery Initiative; Notices, published in the Federal Register on October 22, 1998 [Docket No. FR-4398-N-01] several standard CDBG Program requirements are modified, including, but not limited to labor standards, and National Flood Insurance Program;
 - b. CDBG entitlement funds as Match. Pursuant to 1998 HUD Disaster Recovery Initiative; Amendment, published in the Federal Register on September 3, 1999 [Docket No. FR-4398-N-04] annual appropriations of CDBG funds may be used to meet the "25 percent in non-Federal public matching funds" requirement under the 1998 DRI appropriation.

2. Description of Grant Activity/Grant Amount

The grant activity(ies) shall consist of, and the amounts for each activity are:

Flood control and drainage repair resulting from the winter storms of 1998.

\$22,500.00	-	General Administration
\$977,500.00	-	Public Works

The following limits apply to the expenditure of funds for general administration. The amount shown above for general administration is the amount requested in the grantee's application, unless that amount exceeded the DRI general administration cap of 18% of the grant request. If the amount requested for general administration exceeded 18%, the Department reduced the general administration request to meet that limitation and re-allocated the excess to program implementation. Costs for the annual audit are a general administration expense and are subject to the 18% limitation.

3. Operating Budget

Specifics of the operating budget shall be agreed upon by the State and the Grantee prior to the drawdown of any funds.

4. Match Grantee must ensure that 25 percent of the total DRI award is expended on the DRI activities from local government or State matching funds (also see 1.b., above.)

<u>Local Match</u>	<u>Source</u>
\$250,000.00	Storm Drain Fund

5. Expenditure of Funds

a. General Administration

Costs for general administration may not be incurred nor funds expended until execution by the State of this agreement, unless the Grantee has received prior written approval from the State.

b. Program Implementation and Activity Delivery

Costs for program implementation and activity delivery may not be incurred nor funds expended until the Grantee has met the 90-day special conditions contained in Attachment D, unless the Grantee has received prior written approval from the State.

c. Expenditure Deadline

The Grantee must expend all awarded DRI funds by the termination date of this agreement.

6. Monitoring Requirements

CDBG may perform a program and/or fiscal monitoring of the grant. The Grantee will be required to resolve any monitoring findings to CDBG's satisfaction by the deadlines set by the State.

7. Grant Closing Requirements

By 90 days after the termination date of this agreement, the Grantee must submit the following:

- a. **Certificate of Completion.** If the Grantee has grant funds that were received but not expended, these funds must be accounted for and returned in a check made payable to the Department.
- b. **Evidence,** satisfactory to the State, of compliance with any other **Special Conditions** of this agreement.
- c. **Audit report.** The Grantee must submit a final audit report to the State Controller's Office pursuant to the requirements of Federal Office of Management and Budget (OMB) Circular A-133 (6/30/97).

A. 90-DAY CONDITIONS - ALL ACTIVITIES

Within 90 days of this agreement's execution date, the Grantee must comply with the following special conditions:

1. Environmental Compliance

The Grantee shall have satisfied all NEPA requirements. The level of compliance varies by the activity that has been funded.

2. Residential Antidisplacement and Relocation Assistance Plan (the Plan)

If Federal relocation laws apply to the Grantee's DRI-funded activity, the Grantee must submit a relocation plan.

3. Program Income Letter

If the grant activities will generate Program Income, the Grantee must submit a letter acknowledging that all Program Income generated from this grant shall be remitted to the State. The letter must include a discussion of how the Grantee will collect Program Income for CDBG-eligible activities.

OR

If the grant activities will not generate Program Income, the Grantee must submit a letter stating that no Program Income will be earned as a result of the grant activities.

4. Site Control

Site control, if applicable must be obtained within 90 days of execution of this agreement. Failure to obtain site control may result in termination of this agreement.

B. SPECIAL CONDITIONS - ALL ACTIVITIES, IF APPLICABLE

1. Easements and Rights-of-Way

When required for completion of the DRI project, the Grantee must obtain all easements and rights-of-way within 12 months of execution of this agreement. Failure to obtain these may result in termination of this agreement.

2. Plans and Specifications

When plans and specifications are part of the work involved in a DRI-funded project, the plans and specifications shall be available upon request for inspections by the State Coordinator, or any of its designees, or shall be submitted to the State upon written request by the State Coordinator.

3. Reimbursement of DRI Funds/Duplication of Benefits

The Grantee may not use DRI funds for activities reimbursable or for which FEMA, SBA or the U.S. Army Corps of Engineers makes funds available. Further restrictions apply to acquisition (buyouts) of flood-damaged properties. See Section I.L2. of the 1998 HUD Disaster Recovery Initiative; Notices, published in the Federal Register on October 22, 1998 [Docket No. FR-4398-N-01]. The grantee shall reimburse to the State any DRI funds used for such activities.

C. SPECIAL CONDITIONS - PUBLIC WORKS

If the work to be performed under this standard agreement involves Public Works, the following special conditions will apply:

1. Project Timeline Schedule

Within 90 days following execution of this agreement, the Grantee shall submit to the State for review and approval a project timeline schedule. If the DRI project is part of a larger project, the data and timeline for both the larger project and the DRI-funded project must be submitted. The following list of key project events, if applicable, must be part of the schedule:

- a) Completion of all surveys, studies, testing and designs;
- b) Filing of the environmental Notice of Determination for the project or filing of the Notice of Categorical Exemption;
- c) Acquisition of site control sufficient to construct the project;
- d) Approval of the plans and specifications with authorization to go out to bid by the legislative body;
- e) Execution of the construction contract;
- f) Pre-construction meeting with the construction Contractor;
- g) Construction period (Start-End);
- h) Connection of TIG households to the system;
- i) Final acceptance of work and filing the notice of completion; and
- j) Project close-out.

2. Water and sewer laterals or other utility service connections

DRI funds expended on private property improvements may only benefit TIG households. If installation and/or replacement of water and/or sewer or other utility service connections occurs on private property, DRI funds may be used to pay only the cost of improvements associated with TIG households. The service lateral occurring on private property is the portion of the lateral extending across the private property from the public right of way boundary to the TIG housing unit. [24 CFR 570.202 (b)(6) & 570.483(b)(3)]

Water and sewer lateral connections constructed on private property as "housing rehabilitation" [24 CFR 570.202 (b)(6)], must comply with the documentation requirements of the housing rehabilitation activity. Water and sewer lateral connections constructed in the public right of way and not designated as "housing rehabilitation" are not subject to these additional conditions.

3. Assessment Districts

DRI funds may be used to pay for improvements financed by special assessments as provided for in 24 CFR 570.482 (b) *Special assessments under the CDBG program*. Special assessment means the recovery of capital costs of an improvement through a fee or charge levied or filed as a lien against a property as a direct result of a benefit derived from the improvement. It does not include periodic charges based on the use of a public improvement, such as monthly water or sewer user charges, even if such charges include the recovery of the capital costs of the improvement. [24 CFR 570.200 (c)(1), *Definition of special assessment*]

If the project will include the formation and implementation of an assessment district, the Grantee must submit within 90 days of execution of this agreement, an assessment district formation and implementation timeline schedule which shows that the DRI funds will be expended and benefits will accrue to the TIG beneficiaries before the end of this DRI contract. Key time events must include, if applicable, the following items:

- a) Filing of the environmental notice of determination for the project with the County Clerk.
- b) Adoption of the Resolution of Intention to form the assessment district by the legislative body.
- c) Holding the protest hearing and recording the assessments and assessment diagram.
- d) Awarding the construction contract and sale of bonds.
- e) Filing the construction contract notice of completion.

4. User Fees

DRI funds may be used to pay reasonable user fees established by the legislative body as a one time charge to gain access to a public improvement. This one time charge may not include real estate, property or ad valorem taxes even if such taxes include the recovery of all or a portion of the capital costs of the public improvement [24 CFR 570.200 (c) (1)]

5. Rate Structure

If the project includes the construction of, or improvements to, an enterprise agency such as a water, sewer, solid waste, natural gas or electric power utility, the Grantee shall provide an assurance that the Grantee will provide for future maintenance and capital replacement of the benefiting enterprise agency. The Grantee must submit documentation to DRI of the following, within 90 days of the execution of this agreement:

- a) A copy of the previous years revenue and expenditure budget showing all revenues and expenditures of the enterprise agency involved. Revenues should include all monthly user charges, hookup fees, connection fees, extension fees, plant expansion fees, land development fees and any other fees or charges related to operation, maintenance, capital improvement or development of the enterprise agency involved. Expenditures should include all operating expenses including: labor, materials, equipment, testing, administration, licensing and other costs to operate the system. The budget should include a revenue and expenditure plan for capital replacements and for future growth or expansion. The plan should include the payment of any existing or future capital finance obligations such as revenue bonds or certificates of participation.
- b) A draft copy of projected revenues and expenditures for the following three years. The draft of future revenues and expenditures must include all the features listed in "a." above.
- c) A certified copy of the present resolutions and or ordinances which establish the existing monthly user charges, hookup fees, connection fees, extension fees, plant expansion fees, land development fees and any other fees or charges related to the revenues which finance the enterprise agency.
- d) A listing of the number of each of the various types of monthly users for each separate type of user fee listed in the resolution described in "c." above.
- e) A written plan, approved by the legislative body, for increases in monthly user charges and fees necessary to meet the projected increases in costs, if any, which develop during the three-year period.

6. Site Control

Documentation of site control by recordation of fee title or easement for all sites required for project completion must be submitted to DRI prior to going out to bid on the project.

7. Payment for Targeted Income Households

In order to comply with the provisions of the Housing and Urban Development, Rural Economic Recovery Act of 1983 (HR), the Grantee shall not attempt to recover any capital costs of the public improvement assisted by DRI funds by assessing any amount against properties owned and occupied by targeted income group families, unless:

- a) DRI funds are used to pay the assessment for the targeted income group families; or
- b) The DRI funds are used to pay the assessment for the lowest targeted income group families (50 percent of county median income or below) and the Grantee certifies to the State that it lacks sufficient DRI funds to pay the assessment of all targeted income group families (above 50 percent of median, up to 80 percent of median).

RESOLUTION NO. 5753

A RESOLUTION RESCINDING RESOLUTION NO. 5666 AND REPLACING THE DESIGNATION OF THE CITY OF REDLANDS' AGENT TO APPROVE CONTRACT EXECUTION FOR FUNDING FROM THE GENERAL/NATIVE AMERICAN ALLOCATION OF THE STATE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM AND AUTHORIZING THE EXECUTION OF A GRANT AGREEMENT AND ANY AMENDMENTS THERETO WITH THE STATE OF CALIFORNIA FOR THE PURPOSES OF THIS GRANT

WHEREAS, the City has applied for and been awarded funds related to the Disaster Recovery Initiative and the appropriate public hearing has been duly noticed and held and comments received;

WHEREAS, the Department of Housing and Community Development, Division of Community Affairs requires that the City of Redlands authorize a designated official to sign the Grant Agreement and any subsequent amendments;

WHEREAS, there exists a change in the designation of the authorized agent to approve and execute contracts on behalf of the City of Redlands;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Redlands as follows:

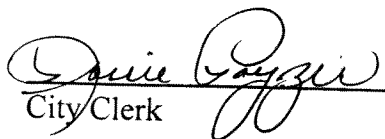
1. The City Council has reviewed and approved the State of California, Standard Agreement, for the construction of storm drain rehabilitation within the Mission Zanja, in the amount of One million dollars.
2. The grant has been awarded and the City has agreed to provide local leverage for the storm drain rehabilitation as follows:
 - a. Staff time, including but not limited to, administrative services above the federal share as necessary, such as engineering services, soil and material testing;
 - b. Permit fee services;

- c. Local Storm Drain Capital Improvement funds;
3. The Public Works Director is hereby authorized to act on the City's behalf in all matters pertaining to this application; and
4. The Mayor is hereby authorized to enter into and sign the Grant Agreement and any amendments thereto with the State of California for the purposes of this grant.

ADOPTED, SIGNED AND APPROVED this 18th day of April, 2000.


Mayor of the City of Redlands

Attest:


City Clerk

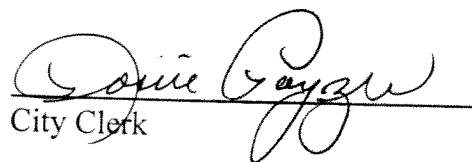
I, Lorrie Poyzer, City Clerk of the City of Redlands, hereby certify that the foregoing resolution was adopted by the City Council at a regular meeting thereof, held on the 18th day of April, 2000 by the following vote:

AYES: Councilmembers George, Peppler, Haws; Mayor Gilbreath

NOES: None

ABSENT: Councilmember Freedman

ABSTAIN: None


City Clerk