A SPECIAL MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO

TO BE HELD AT 715 EAST BRIER DRIVE SAN BERNARDINO, CALIFORNIA FEBRUARY 18, 2025 AT 3:00 P.M.

AGENDA

PUBLIC SESSION

- 1) Call to Order and Roll Call
- 2) Additions or deletions to the agenda
- General Public Comment Any member of the public may address the Board of Commissioners on any matter not on the agenda that is within the subject matter jurisdiction of the Board. To make a comment on a specific agenda item, you may do so during the meeting or, alternatively, please submit your comments via email by 1:00 p.m. on the Tuesday of the Board meeting. Comments should be limited to 250 words or less Please submit your comments via web at https://hacsb.com/board-of-commissioners/ or email at publiccomment@hacsb.com. Your comments will be placed into the record at the meeting. Efforts will be made to read the comments into the record, but some comments may not be read due to time limitations.

DISCUSSION CALENDAR

(Public comment is available for each item on the discussion calendar)

- 4) Receive the Executive Director's Report for February 18, 2025. (Page 1)
- Receive the board building presentation for February 18, 2025, highlights of the Housing Authority of the County of San Bernardino's FY 2024 Moving to Work Annual Report. (Page 2)
- 6) 1 Approve Amendment No. 3 to contract No. PC1154, effective March 3, 2025, with CohnReznick, LLP for Financial Audit Services to increase the current contract amount by \$63,190 for a total contract amount not to exceed \$558,990 through August 11, 2025.
 - 2 Authorize and direct the Executive Director to execute and deliver any related documents, and upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction. (Pages 3-60)

- 7) 1 Approve Amendment No. 9 to contract No. PC1203, effective March 1, 2025, with Intergraded Security Management Group for Armed Guard Services increasing the current contract by \$130,325 for a total amount not to exceed \$708,861 through February 28, 2026.
 - 2 Authorize and direct the Executive Director to execute and deliver the contract amendment to Intergraded Security Management Group and, upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction. (Pages 61-96)
- 8) 1 Approve contract amendment No. 4 with the San Bernardino County Transitional Assistance Department for the provision of California Work Opportunity and Responsibility to Kids Housing Support Program services increasing the amount by \$1,619,261 for a total contract amount not to exceed \$47,813,480, for the total contract period of July 1, 2020, through June 30, 2025.
 - 2 Authorize and direct the Executive Director to execute and deliver any related documents, and upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction. (Pages 97-101)
- 9) 1 Approve contract amendment No. 5 with Knowledge, Education for Your Success, Inc. for the provision of California Work Opportunity and Responsibility to Kids Housing Support Program Housing Navigator Services increasing the amount by \$1,619,261 for a total contract amount not to exceed \$47,813,480 through June 30, 2025.
 - 2 Authorize and direct the Executive Director to execute and deliver the contract to Knowledge and Education for Your Success, Inc. and, upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction. (Pages 102-106)
- 10) 1 Approve a temporary construction easement and right of way to the State of California Department of Transportation, to upgrade pedestrian pathways and sidewalks to meet current Americans with Disabilities Act standards on real property owned by the Housing Authority of the County of San Bernardino, near the intersection of East Lugonia Ave. and Church Street in the city of Redlands.
 - 2 Authorize and direct the Executive Director to execute and deliver the contract to the State of California Department of Transportation, and any other related documents, upon consultation with Legal Counsel. (Pages 107-127)

CONSENT CALENDAR

APPROVAL OF CONSENT ITEMS: # 11-13

Approve the meeting minutes for the annual meeting of the Board of Commissioners of the Housing Authority of the County of San Bernardino held on January 14, 2025. (Pages 128-134)

- 12) Approve and file Agency-wide Financial Statements through October 2024. (Pages 135-137)
- Approve vacated tenant accounts for the Authority Owned Portfolio to be written off as collection losses for the month of November 2024. (Pages 138-145)
- 14) Individual Board member comments.
- 15) Adjourn

This agenda contains a brief description of each item of business to be considered at the meeting. In accordance with the Ralph M. Brown Act, this meeting agenda is posted at least 72 hours prior to the regularly scheduled meeting at the Housing Authority of the County of San Bernardino (HACSB) Building located at 715 East Brier Drive, San Bernardino, California, 92408. The agenda and its supporting documents can be viewed online at http://www.hacsb.com. However, the online agenda may not include all available supporting documents or the most current version of documents.

If you challenge any decision regarding any of the above agenda items in court, you may be limited to raising only those issues you or someone else raised during the public testimony period regarding that agenda item or in written correspondence delivered to the Board of Commissioners at, or prior to, the public meeting.

It is the intention of the HACSB to comply with the Americans with Disabilities Act (ADA). If you require special assistance, HACSB will attempt to accommodate you in every reasonable manner. Please contact Cynthia Robinson at (909) 890-5388 at least 48 hours prior to the meeting to inform us of your particular needs.

HACSB ofrece asistencia idiomática gratis. Para ayuda con este documento, por favor llámenos al (909) 890-0644.

REPORT/RECOMMENDATION TO THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO AND RECORD OF ACTION

February 18, 2025

FROM

MARIA RAZO, Executive Director, Housing Authority of the County of San Bernardino

SUBJECT

Executive Director's Report for February 18, 2025

RECOMMENDATION(S)

Receive the Executive Director's Report for February 18, 2025. (Presenter: Maria Razo, Executive Director, 332-6305)

STRATEGIC PLAN ALIGNMENT

Aspirational Statement #2: To be known as a trusted provider of safe, dignified, and desirable homes and environments that enrich and add value to the community.

Aspirational Statement #3: To pursue continued financial stability, monitoring, and accountability as stewards of limited funding.

FINANCIAL IMPACT

This item will not result in a financial impact to the Housing Authority of the County of San Bernardino (HACSB) as there is no financial impact associated with this item.

BACKGROUND INFORMATION

The Executive Director's report summarizes ongoing initiatives of HACSB's strategic plan, Moving to Work activities, overall agency updates, as well as other initiatives federally regulated by the U.S. Department of Housing and Urban Development.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on January 30, 2025.

REPORT/RECOMMENDATION TO THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO AND RECORD OF ACTION

February 18, 2025

FROM

MARIA RAZO, Executive Director, Housing Authority of the County of San Bernardino

SUBJECT

Board Building Presentation for February 18, 2025

RECOMMENDATION(S)

Receive the board building presentation for February 18, 2025, highlights of the Housing Authority of the County of San Bernardino's FY 2024 Moving to Work Annual Report. (Presenter: Maria Razo, Executive Director, 332-6305)

STRATEGIC PLAN ALIGNMENT

Aspirational Statement #3: To pursue continued financial stability, monitoring, and accountability as stewards of limited funding.

Aspirational Statement #5: To create, build and utilize partnerships that provide opportunities and create a meaningful difference in the lives of the families that we serve, maximizing our resources by mobilizing the talents of our community partners.

FINANCIAL IMPACT

Approval of this item will not result in a financial impact to the Housing Authority of the County of San Bernardino (HACSB) as there is no financial impact associated with this item.

BACKGROUND INFORMATION

Per the U.S. Department of Housing and Urban Development's (HUD) Commissioner Lead the Way Training and Moving to Work designation responsibilities, board building is required to provide the Board of Commissioners with information regarding ongoing initiatives of HACSB's strategic plan, Moving to Work (MTW) activities, overall agency updates, as well as other initiatives federally regulated by HUD.

This month's board building presentation will include highlights of HACSB's FY 2024 Moving to Work Annual Report.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on, January 30, 2025.

REPORT/RECOMMENDATION TO THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO AND RECORD OF ACTION

February 18, 2025

FROM

MARIA RAZO, Executive Director, Housing Authority of the County of San Bernardino

SUBJECT

Amendment with CohnReznick, LLP for Financial Audit Services

RECOMMENDATION(S)

- 1. Approve Amendment No. 3 to contract No. PC1154, effective March 3, 2025, with CohnReznick, LLP for Financial Audit Services to increase the current contract amount by \$63,190 for a total contract amount not to exceed \$558,990 through August 11, 2025.
- 2. Authorize and direct the Executive Director to execute and deliver any related documents, and upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction.

(Presenter: Maria Razo, Executive Director, 332-6305)

STRATEGIC PLAN ALIGNMENT

Aspirational Statement #2: To be known as a trusted provider of safe, dignified, and desirable homes and environments that enrich and add value to the community.

Aspirational Statement #3: To pursue continued financial stability, monitoring, and accountability as stewards of limited funding.

Aspirational Statement #5: To create, build and utilize partnerships that provide opportunities and create a meaningful difference in the lives of the families that we serve, maximizing out resources by mobilizing the talents of our community partners.

FINANCIAL IMPACT

This item is not expected to exceed \$63,190 which will be funded through the Housing Authority of the County of San Bernardino's (HACSB) operation's budget.

BACKGROUND INFORMATION

HACSB is required to have a third party independent financial audit conducted each fiscal year. The audited financial statements are used to provide financial information to various reporting entities such as the United States Department of Housing and Urban Development (HUD) and other funding institutions. Financial audit services shall be conducted in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. The financial statements are to be prepared by the auditor in accordance with Generally Accepted Accounting Principles (GAAP) and HUD's timetable for submission. Approval of this item will provide HACSB with the financial auditing services needed to comply with such requirements. The increased cost is related to required tax returns that need to be included in the current contract with CohnReznick, LLP for Financial Audit Services. These tax returns were not included in the original contract. This is the last year of the contract and the scope of the new bid will include the preparation of tax returns.

PROCUREMENT

HACSB previously issued a Request for Proposal (RFP) PC1154 on December 17, 2019, for Financial Audit Services which resulted in the receipt of seven proposals. Outreach efforts

Contract amendment with CohnReznick, LLP for Financial Audit Services February 18, 2025

included email invitations via PlanetBids, our eBidding website to 11 vendors and posting on the agency website. The proposals were evaluated per the requirements of the RFP in which CohnReznick LLP was deemed reasonably priced, considered responsive, and determined qualified to provide this service to HACSB.

On August 11, 2020, the Board of Commissioners (Board) of the Housing Authority of the County of San Bernardino awarded a contract in the amount of \$291,790 for a three-year base through August 11, 2023 with the option for two additional single-year contract extensions through August 11, 2025.

On July 11, 2023, the Board approved Amendment No. 1 to the contract to exercise the first option year and increase the contract amount by \$101,230 for a total amount not to exceed \$393,020 through August 11, 2024.

On June 18, 2024, the Board approved Amendment No. 2 to the contract to exercise the second and last option year and increase the current contract amount by \$102,780 for a total contract amount not to exceed \$495,800 through August 11, 2025.

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on January 30, 2025.



AMENDMENT #3 TO CONTRACT FOR FINANCIAL AUDIT SERVICES (PC1154)

BETWEEN

THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO

And

COHNREZNICK, LLP

This Amendment No. 3 ("Third Amendment"), dated March 3, 2025 ("Effective Date"), to Agreement for Financial Audit Services (PC1154), is entered into by and between the Housing Authority of the County of San Bernardino, a California public body, ("Authority") and Cohn Reznick, LLP ("Contractor").

RECITALS

WHEREAS, the Authority and Contractor entered into that certain Consulting, Services, and Non-Routine Maintenance Related Services Agreement (Non-Construction), dated August 12, 2020 relating to Financial Audit Services ("Agreement") with a total price of \$291,790.00;

WHEREAS, on August 12, 2023, the Authority entered into the first Amendment to the Agreement to exercise the first option year through August 11, 2024, and increase the contract amount by \$101,230.00 for a total amount not-to-exceed \$393,020.00.

WHEREAS, on August 12, 2024, the Authority and Contractor entered into the second Amendment to the Agreement to extend the term by exercising the final option year until August 11, 2025, and increase the contract amount by \$102,780.00 for a total amount not-to-exceed \$495,800.00.

WHEREAS, the Authority and Contractor now wish to enter into this Third Amendment to the Agreement to increase compensation payable to Contractor by \$63,190.00 for a total amount not to exceed \$558,990.00.

OPERATIVE PROVISIONS

NOW, THEREFORE, the foregoing Recitals being true and correct, and in consideration of the mutual covenants and obligations contained in this Third Amendment

by the parties and other consideration, the sufficiency of which is hereby expressly acknowledged, the Parties hereto agree as follows:

- **Section 1.** Article 4 of the Agreement, entitled "Price" is hereby amended to increase the compensation payable to Contractor for the provision of the Work for the total not-to-exceed sum as shown in the Total Agreement Cost set forth on Exhibit "A-1. Except as so amended, the other provisions of Article 4 shall remain unmodified and in full force and effect.
- <u>Section 2</u>. Continuing Effect of Agreement. Except as amended by this Third Agreement, all provisions of the Agreement, as amended, shall remain unchanged and in full force and effect. From and after the date of this Third Amendment, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement, as amended by this Third Amendment.
- **Section 3**. Affirmation of Agreement; Warranty Re Absence of Defaults. Authority and Consultant each ratify and reaffirm each and every one of the respective rights and obligations arising under the Agreement, as amended. Each party represents and warrants to the other that there have been no written or oral modifications to the Agreement other than by way of this Third Amendment as provided herein. Each party represents and warrants to the other that the Agreement, as amended by this Third Amendment, is currently an effective, valid, and binding obligation.

Consultant represents and warrants to Authority that, as of the date of this Third Amendment, Authority is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

Authority represents and warrants to Consultant that, as of the date of this Third Amendment, Consultant is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

- <u>Section 4</u>. Adequate Consideration. The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Third Amendment.
- <u>Section 5</u>. Authorization. The persons executing this Third Amendment on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Third Amendment, such party is formally bound to the provisions of this Third Amendment, and (iv) the entering into this Third Amendment does not violate any provision of any other agreement to which said party is bound.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Housing Authority of the County of San Bernardino and CohnReznick, LLP hereby execute this Third Amendment.

COHN REZNICK, LLP	HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO
By:	
<i>,</i>	By:
Name:	
	Name: Maria Razo
Title:	
	Title: <u>Executive Director</u>
Date:	
	Date:

Exhibit A-1

Schedule Dates:

Effective Date: March 3, 2025

Completion Date: August 11, 2025

Total Agreement Cost: Not to exceed \$558,990.00

Original Agreement Amount Not to Exceed	\$291,790.00
Net Change Orders Previously Approved	\$0.00
Net Change Order Previously Approved – Amendment #1	\$101,230.00
Net Change Order Previously Approved – Amendment #2	\$102,780.00
Net Change Order – Amendment #3	\$63,190.00
Agreement Value as Amended Not to Exceed	\$558,990.00

THIS SERVICES AGREEMENT (NON-CONSTRUCTION) ("Agreement") (PC1154) is made as of the 12th. day of August 2020 ("Effective Date") by and between CohnReznick LLP ("Contractor"), and the Housing Authority of the County of San Bernardino, a California public entity ("HACSB").

RECITALS

WHEREAS, HACSB is a public entity in San Bernardino County, State of California, committed to provide affordable and safe public housing for low- and moderate-income families; and

WHEREAS, Contractor has offered to provide certain services to HACSB, and HACSB wishes to retain Contractor for the provision of such services.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the foregoing Recitals, which Recitals are incorporated herein by this reference, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and for the mutual covenants contained herein, Contractor and HACSB hereby agree as follows:

ARTICLE 1. Statement of Work. Contractor shall furnish all labor, materials, tools, equipment, and supervision to perform all work required in the Statement of Work set forth on Exhibit "A", attached hereto and incorporated herein by reference ("Work"). In connection with its performance of the Work, Contractor and HACSB shall comply with all the Contract Documents (as hereinafter defined).

ARTICLE 2. Contract Documents. This Agreement incorporates by reference all the following documents ("Contract Documents"):

- Scope of Work, attached hereto as Exhibit "A: and incorporated herein by reference.
- 2. Engagement Letters executed in accordance with applicable professional standards, attached hereto as Exhibit "A-1" Engagement Letters.
- 3. General Conditions for Non-Construction Contracts Section I (with or without Maintenance Work) (Form HUD 5370 C1 and C2), attached hereto as Exhibit "B" and incorporated herein by reference.
- 4. Additional General Provisions, attached hereto as Exhibit "C" and incorporated herein by reference ("Additional Provisions").
- 5. Work Authorization, attached hereto as Exhibit "D" and incorporated herein by reference.
- 6. All applicable Federal, State, and Local laws, ordinances and regulations related to this Agreement shall be incorporated herein by reference. This Agreement is funded by the U. S. Department of Housing and Urban Development and is subject to all applicable regulations and requirements for agreements funded by HUD. Federal Regulations may be found at http://www.gpoaccess.gov. State of California regulations may be found at http://www.gpoaccess.gov. For laws the County of San Bernardino, go to http://www.sblawlibrary.org.

ARTICLE 3 Term; Time of Completion. Contractor shall commence work under this Agreement for a three (3) year base period beginning on August 12, 2020 and expiring on August 11, 2023 unless for any reason funds which have been appropriated for the provision of these services are no longer available, or until such time as terminated per the terms of the Agreement in accordance with contract provisions in Article 19. HACSB shall have the option to extend the agreement for up to two additional single year options. The optional years shall be exercised by written amendment executed by each party with Board of Commissioners approval on behalf of HACSB for additional funding on option years if needed. The option years will begin on or about August 12, 2023 and expire no later than August 11, 2025. Following issuance of a Work Authorization, Contractor shall timely complete the Work in accordance with the schedule requirements specified in Exhibit "A" and "A-1", and within the term of this Agreement.

ARTICLE 4. Price. Unless otherwise specified in the Statement of Work, HACSB agrees to pay Contractor a not-to-exceed amount of \$291,790.00 for the provision of work per the fee schedule for the three (3) year base contract period. Details defined in Exhibit A – Scope of Services – Annual Fee Schedule. Price as set forth herein, is in consideration for and provides full and complete compensation for the Work and the performance by Contractor of all its obligations hereunder. Terms are defined in the Additional Provisions.

ARTICLE 5. Performance of Work. Contractor shall perform its duties on premises approved by HACSB, during HACSB's regular workdays and normal work hours and it shall perform the work in accordance with applicable professional standards. Contractor acknowledges that HACSB has the right, to the extent entitled by applicable professional standards, to review the Work performed by Contractor and may, in its discretion, reject the Work, or any part thereof, as set forth in the Additional Provisions. In the event HACSB rejects any or all the Work, at HACSB's election: (a) Contractor shall promptly correct any such deficiencies in the Work, or (b) the deficient Work shall be stricken from this Agreement and Contractor shall not be paid for such portion of the Work. Contractor employees and subcontractors shall have sufficient skill and experience to perform the Work assigned to them. Finally, Contractor represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Work and that such licenses and approvals shall be maintained throughout the term of this Agreement. Any employee of Contractor or its subcontractors who is determined by HACSB to be uncooperative, incompetent, a threat to the adequate or timely completion of the Work, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Work in a manner acceptable to HACSB, shall be promptly removed from the Work by the Contractor and shall not be re-employed to perform any of the Work under this Agreement.

ARTICLE 6. HACSB's Right to Stop Work. HACSB has the right to require Contractor to stop or suspend Work pursuant to the "Stop Work" provisions of the Additional Provisions.

ARTICLE 7. No Conflicts. HACSB acknowledges that Contractor has other business and personal interests, separate and apart from the services contemplated by this Agreement, and nothing in this Agreement is intended to preclude Contractor from devoting time and attention to such business and personal interests. HACSB further acknowledges that Contractor has the right to accept other engagements as long as said engagements do not represent a conflict of interest with respect to the Work or the obligations of Contractor to HACSB pursuant to this Agreement. In connection with Contractor's performance of the Work hereunder, Contractor represents, to the best of its knowledge that there exists no actual, potential or appearance of conflict arising out of Contractor's business and financial interests.

ARTICLE 8. Limit of Engagement. This Agreement does not and shall not be construed to create any partnership or agency whatsoever. Contractor shall not be deemed to be a partner, joint venture, agent or legal representative of HACSB for any purpose, nor shall Consultant have any authority or power to act for, or to undertake any obligation or responsibility on behalf of, HACSB or corporations affiliated with HACSB, other than as expressly herein provided. HACSB retains Contractor on an independent contractor basis and Contractor is not an employee of HACSB. Any additional personnel performing Work under this Agreement on behalf of Contractor shall not be employees of HACSB and shall at all times be under Contractor's exclusive direction and control.

ARTICLE 9. Responsibilities of HACSB. If information, data, or documentation necessary to facilitate Contractor's performance of the Work is required to be provided by HACSB, HACSB shall provide such information upon request by Contractor. It is Contractor's responsibility to determine if any such information is necessary in order to perform its obligations hereunder and to request such information from HACSB in a sufficient amount of time in order for Contractor to perform the Work hereunder.

ARTICLE 10. Additional Work.

- a. In the event that the parties mutually agree that additional and further work beyond that specified in the Statement of Work ("Additional Work") is required to be performed by Contractor, such Additional Work shall be memorialized in a Work Authorization executed by HACSB and Contractor. The Work Authorization shall include and specifically identify the types of services required to perform as part of the Additional Work, all significant material to be delivered to HACSB, the time schedule for completion of the Additional Work, and the price for such Additional Work.
- b. Nothing herein shall obligate HACSB to utilize Contractor to perform the Additional Work or in any way limit HACSB's rights to utilize third parties to perform or assist in performing the Additional Work. In no event shall Contractor commence performance of the Additional Work until it has received written consent executed by a duly authorized representative of HACSB.
- c. In the event that HACSB provides a Work Authorization for Additional Work, all the terms and conditions of this Agreement shall apply to the performance of such Additional Work.

ARTICLE 11. Contractor's Obligation to Stop Work. Personnel resources will not be expended (at a cost to HACSB) on task accomplishment in excess of the schedule requirements set forth in "Exhibit A" unless the procedure below is followed:

- a. If, in the performance of the Work, Contractor determines that the Work to be performed under this Agreement cannot be accomplished within the estimated work hours, Contractor will immediately notify HACSB in writing of Contractor's estimate of the work hours which will be required to complete the Work. Upon receipt of such notification, HACSB may:
 - Authorize Contractor to expend the estimated additional work hours or service in excess
 of the original estimate necessary to accomplish the Work Authorization (such an
 authorization not unreasonably to be withheld); or
 - ii. Terminate this Agreement; or
 - iii. Alter the scope of the Work in order to define tasks that can be accomplished within the remaining estimated work hours.
- b. HACSB will notify Contractor in writing of its election within seven (7) calendar days after receipt of Contractor's notification. If notice of the election is given to proceed, Contractor may expend the estimated additional work hours or services, as memorialized in a Work Authorization signed by Contractor and HACSB. In the event that HACSB fails to notify Contractor within such seven (7) calendar day period, Contractor shall provide a second notice to HACSB requesting a determination. Contractor shall not proceed with the Work until such time as HACSB has made an election as to how it wishes to proceed, and a Work Authorization has been approved.

ARTICLE 12. Invoicing and Payment for Services. During the execution of each Milestone (as set forth in the Statement of Work) which involves the delivery to HACSB of identified Deliverables (as defined in the Statement of Work), Contractor may submit periodically to HACSB invoices reflecting a pro-rata cost of the Milestones, determined on the basis of the lesser of either:

 a. The number of Deliverables provided to HACSB divided by the total number of Deliverables required to be delivered to HACSB, less a ten percent (10%) withhold, less any amounts previously invoiced; or

- b. The number of work-hours expended by Contractor in the performance of the Work divided by the number of work hours scheduled for the Work, less a ten percent (10%) withhold, less any amounts previously invoiced; provided that the Statement of Work may specify a withhold of more than ten percent (10%).
- c. For those Milestones which do not involve delivery to HACSB of identified Deliverables, but which are of a continuing nature, Contractor may submit invoices reflecting a pro-rata cost of the Milestone, less a ten percent (10%) withhold, less any amount previously invoiced. Actual progress payment amounts for such Milestones must be based on at least equivalent services rendered, and to the extent practicable, will be keyed to clearly identifiable stages of progress as reflected in written reports submitted with the invoices.
- d. Upon completion of a Milestone in accordance with the acceptance criteria set forth herein, the full charge for such Milestone, less amounts previously invoiced to HACSB, may be submitted for payment.
- e. In the event that Additional Work is performed pursuant to a Work Authorization, such Additional Work shall be paid by HACSB according to the same procedure set forth above with respect to the Work, unless a different method for payment is specified in such Work Authorization.
- f. Invoices prepared in accordance with this provision will not be submitted more frequently than monthly to HACSB.
- g. In the aggregate, invoices reflecting progress payments will not exceed ninety percent (90%) of the Agreement Price, with the balance to be invoiced upon completion of the Agreement, in accordance with the acceptance criteria set forth herein.
- h. No charge for transportation, delivery, express, parcel post, packing, cartage, insurance, license fees, permits, cost of bonds, or for any other purpose will be paid by HACSB unless expressly included and itemized in the Statement of Work or Work Authorization.

ARTICLE 13. Return of HACSB Property. All reports, plans, designs, specifications, field data, construction documents, and other documents and instruments, including electronic files, but excluding Contractor's notes, relating to the Work shall be and remain the property of HACSB and shall be turned over to HACSB promptly upon the completion of the Work, or upon the earlier termination of this Agreement. Contractor hereby waives and assigns to HACSB all intellectual property or common law rights Contractor may develop in the Work. Contractor shall not use any trademarks owned by HACSB without HACSB's prior written authorization. Notwithstanding anything contained herein, the Contractor's working papers, and proprietary internal communications shall remain the property of the Contractor. The obligation to turn over documents or files shall not apply to automatically generated computer back-up or electronic copies created in the ordinary course of Contractor's information system procedures. Additionally, the Contractor shall be permitted to retain a copy of any documents or files as necessary to comply with applicable law, regulations, professional standards or internal document retention policies.

ARTICLE 14. Confidential Information. HACSB agrees to make available to Contractor information that may be needed to perform the Work. Such information may include information HACSB considers to be confidential. For purposes hereof, "Confidential Information" of HACSB means any nonpublic, proprietary information or technology used in HACSB's business, and any materials evidencing the same (specifically, including, without limitation, technical data or know-how relating to development plans, business plans, services, customers, markets, inventions (whether patentable or not), processes, designs, drawings, research, developments, strategies, marketing and/or financial information). Unless HACSB acknowledges that any such information provided under this Agreement is not Confidential Information, all information provided by HACSB to Contractor shall be Confidential Information. Unless approved in advance in writing or compelled to make such disclosure by a government agency, by court order, or by

law, or in response to a regulatory requirement. Contractor shall not disclose, transfer, distribute or allow access to any of HACSB's Confidential Information to any third parties, except those individuals employed by Contractor and who are specifically authorized by Contractor to perform the Work contemplated in this Agreement.

ARTICLE 15. Indemnity; Hold Harmless. Contractor agrees to indemnify and hold harmless HACSB and all its officers, employees, and agents, against any and all liabilities, claims, judgments, or demands arising from physical injuries or death of persons (Contractor's employees included) and damage to tangible property, arising directly or indirectly out of the performance of the Work, the obligations herein undertaken or out of the operation conducted by Contractor, save and except claims or litigation to the extent arising through the negligence or willful misconduct of HACSB. Contractor shall reimburse HACSB for any expenditures, including reasonable attorney's fees, HACSB may incur arising out of any such claims or litigation. Contractor shall pay and satisfy any judgment, award or decree that may be rendered against HACSB or its officers, employees, and agents in any such suit, action or other legal proceeding.

ARTICLE 16. Compliance with Contract Documents. Contractor and HACSB shall comply with all of the Contract Documents in connection with the performance of the Work hereunder. In the event of any conflict between this Agreement and the Contract Documents, the Contract Documents shall control and take precedence in the specific order set forth in Article 2 herein. Contractor shall also comply with all agreements, representations, warranties, covenants, and certifications of Contractor made in connection with the procurement of this Agreement, provided that in the case of a conflict between the foregoing and the Contract Documents and this Agreement, the Contract Documents and this Agreement shall control.

ARTICLE 17. Assignment. Neither the Agreement, nor any part thereof, nor moneys due or to become due there under may be assigned by Contractor without the prior written approval of HACSB. This Agreement shall be binding on the successors and assigns of the parties.

ARTICLE 18. Rights and Remedies of HACSB for Default.

In the event any goods furnished or services provided by Contractor in the performance of the Work should fail to conform to the requirements herein, or to the sample submitted by Contractor, HACSB may reject the same, and it shall become the duty of Contractor to reclaim and remove the item promptly or to correct the performance of services, without expense to HACSB, and immediately replace all such rejected items with others conforming to the Agreement.

- a. In addition to any other rights and remedies HACSB may have, HACSB may require Contractor, at Contractor's expense, to ship goods via air freight or expedited routing to avoid or minimize actual or potential delay if the delay is the fault of Contractor.
- b. In the event of the termination of the Agreement, either in whole or in part, by reason of default or breach by Contractor, any loss or damage sustained by HACSB in procuring any items which Contractor agreed to supply shall be borne and paid for by Contractor.
- c. HACSB reserves the right to offset the reasonable cost of all damages caused to HACSB against any outstanding invoices or amounts owed to Contractor or to make a claim against Contractor, therefore.

ARTICLE 19. Termination. In addition to the rights of Termination for Convenience of HACSB and Termination for Default set forth in the Contract Documents, HACSB may terminate this Agreement if Contractor should file a bankruptcy petition and/or be adjudged a bankrupt, or if Contractor should make a general assignment for the benefit of creditors, or if a receiver should be appointed on account of insolvency (as referenced in HUD Form 5370-C section 1 page 1). HACSB may serve written notice upon Contractor of its intention to terminate the Agreement. The notice shall contain the reasons for such intention to terminate the Agreement, and, unless within ten (10) days after serving such notice, such violation shall cease and satisfactory arrangements for correction

thereof be made, upon the expiration of the ten (10) days, the Agreement shall cease and terminate. In the event of any such termination, HACSB shall serve written notice thereof upon any surety and Contractor, and any such surety shall have the right to take over and perform Contractor's obligations pursuant to this Agreement; provided, however, that if such surety does not provide HACSB written notice of its intention to take over and perform the Work required under this Agreement within fifteen (15) days after receiving such written notice, or such surety does not commence performance thereof within thirty (30) days after providing such written notice to HACSB, HACSB shall have the right to perform all uncompleted portions of the Work and to prosecute the same to completion by contract or by any other method it deems advisable, for the account and at the expense of Contractor, and Contractor and its surety shall be liable to HACSB for any excess costs occasioned HACSB thereby and, in such event, HACSB may, without liability for doing so, take possession of and utilize in completing the Work, such materials, appliances, and other property belonging to Contractor as may be on the site of the Work and necessary for the performance of the Work.

ARTICLE 20. No Waiver. No waiver by the parties hereto of any default or breach of any term, condition or covenant of this Agreement shall be deemed to be a waiver of any subsequent default or breach of the same or any other term, condition or covenant contained herein.

ARTICLE 21. Modification. This written Agreement may not be later modified except by a further writing signed by HACSB and Contractor and no term of this Agreement may be waived, except by writing signed by the party waiving the benefit of such term. No oral understanding or agreement not incorporated in this Agreement is binding on any of the parties.

ARTICLE 22. Notices. All notices required pursuant to this Agreement shall be communicated in writing, and shall be delivered in person, by commercial courier providing proof of delivery, or by certified mail, return receipt requested. All notices sent pursuant to this Agreement shall be addressed as follows:

If to HACSB:

Angie Lardapide, Procurement and Contracts Supervisor Housing Authority of the County of San Bernardino 715 E. Brier Drive San Bernardino, CA 92408-2841 alardapide@hacsb.com

If to Contractor:

Ahamodou Alainchar Bocar, CPA
CohnReznick LLP
400 Capitol Mall, Suite 1200
Sacramento, CA 95814
Ahamadou.bocar@cohnreznick.com

Notices will be deemed effective upon receipt or rejection only.

ARTICLE 23. Complete Agreement. This written Agreement is the final, complete and exclusive statement and expression of the Agreement between HACSB and Contractor and of all the terms of this Agreement and cannot be varied, contradicted, nor supplemented by evidence of any prior or contemporaneous oral or written agreements.

ARTICLE 24. Applicable Law/Venue. This Agreement shall be construed and interpreted in accordance with the internal laws of the State of California, with proper venue for any litigation in San Bernardino County, California.

ARTICLE 25. Severability; Headings. If any portion of this Agreement is held invalid or inoperative, the other portions of this Agreement shall be deemed valid and operative and so far as is reasonable and possible, effect shall be given to the intent manifested by the portion held invalid or inoperative. The section headings herein are for reference purposes only and are not intended in any way to describe, interpret, define or limit the extent or intent of this Agreement or of any part hereof.

ARTICLE 26. Interpretation. Should any provision of this Agreement require interpretation, it is agreed that the person or persons interpreting or construing the same shall not apply a presumption that the terms of this Agreement shall be more strictly construed against one party by reason of the rule of construction that a document is to be construed more strictly against the party who itself or through its agent or counsel prepared the same or caused the same to be prepared; it being agreed that the agents and counsel of all of the parties have participated equally in the negotiation and preparation of this Agreement. The language in all parts of this Agreement shall be in all cases

construed simply, fairly, equitably and reasonably, according to its plain meaning and not strictly for or against any of the parties.

ARTICLE 27. Counterparts. This Agreement may be executed in multiple counterparts, and when so executed by each of the parties hereto shall constitute a single agreement binding upon all of the parties hereto.

ARTICLE 28. Eight-Hour Law. Pursuant to the provisions of the California Labor Code, eight hours of labor shall constitute a legal day's work, and the time of service of any worker employed on the work shall be limited and restricted to eight hours during any one calendar day, and forty hours in any one calendar week, except when payment for overtime is made at not less than one and one-half the basic rate for all hours worked in excess of eight hours per day ("Eight-Hour Law"). Contractor shall forfeit to HACSB as a penalty, \$50.00 for each worker employed in the execution of this Agreement by him, or by any subcontractor under him, for each calendar day during which such workman is required or permitted to work more than eight hours in any calendar day and forty hours in any one calendar week without such compensation for overtime violation of the provisions of the California Labor Code, unless Contractor or the Work are not subject to the Eight-Hour Law.

ARTICLE 29. Subcontracting. Contractor shall not subcontract any portion of the Work required by this Agreement, except as expressly stated herein, without prior written approval of HACSB. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

ARTICLE 30. Attorney's Fees. If any legal action is instituted to enforce any party's rights hereunder, each party shall bear its own costs and attorney fees, regardless of who is the prevailing party. This paragraph shall not apply to those costs and attorney fees directly arising from a third-party legal action against a party hereto and payable under indemnification and insurance Requirements.

ARTICLE 31. Survival. All rights and obligations hereunder that by their nature are to continue after any expiration or termination of this Agreement, including, but not limited to, the indemnification and confidentiality obligations, shall survive any such expiration or termination.

ARTICLE 32. No Third-Party Beneficiaries. Except as expressly stated herein or in the Contract Documents, there are no intended third-party beneficiaries of any right or obligation assumed by the parties.

[END - SIGNATURES ON NEXT PAGE]

SIGNATURE PAGE TO

(NON-CONSTRUCTION)

PC1154 - Financial Audit Services

IN WITNESS WHEREOF, HACSB and Contractor have entered into this Agreement as of the Effective Date: August 5, 2020 CohnReznick LLP By: Mamaler Mincher Break (Affix seal if a corporation) Name: Ahamadou Alainchar Bocar Its: Partner **CERTIFICATE OF CORPORATE AUTHORITY** ____, certify that I am the Office Managing Partner of the I, Eric Jones corporation named as Contractor herein; that Ahamadou Alainchar Bocar who signed this Agreement on behalf of Contractor, was then Partner ___ of said corporation; that said Contract was duly signed for and in behalf of said corporation and its governing body and is within the scope of its corporate powers. By: ___ Name: Eric Jones Its: Office Managing Partner Date: __August 5, 2020_ HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO

Name: Maria Řazo

Its: Executive Director
Date: 9/2/2020

Exhibit A Scope of Work

GENERAL INFORMATION

The Authority's fiscal year begins on October 1st and ends on September 30th. The last audit was performed for the fiscal year that ended on September 30, 2018. The September 30, 2019 audit is currently being performed. Prior year audit reports and financial statements may be reviewed at the HACSB office located at 715 East Brier Drive, San Bernardino, CA 92408-2841. Please call the HACSB Finance Manager, Jesse Diaz, at (909) 890-0644 x 6323 to arrange for an appointment if you wish to review the statements.

HACSB currently utilizes Yardi Voyager 7.8 Application Software for the Financial, Operations, and Procurement, functions. A conversion of financial software systems occurred in January 2014.

Each federally assisted program has its own separate books of account.

In addition to our federally funded housing programs, HACSB, owns more than 3,500 units between the agency and its affiliates. Our programs enable us to provide quality, safe affordable housing to approximately 25,000 low income families, seniors and disabled individuals who reside throughout the County of San Bernardino.

AUDIT STANDARDS

The audit shall be conducted in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. The audit and financial statements shall meet the requirements of federal single audit regulations as prescribed by OMB Circular A-133, Audits of States, Local Governments and Nonprofit Organizations, OMB Circular A-128, Audit for State and Local Governments, GASB-34 Basic Financial Statement's and Management's Discussion and Analysis for State and Local Governments and the U.S. Department of Housing and Urban Development's Public and Indian Housing Compliance Supplement. The financial statements are to be prepared by the auditor in accordance with Generally Accepted Accounting Principles (GAAP) and HUD's timetable for submission. This includes assistance with electronically submitting Financial Data Schedules (FDS) via the internet as required by the Real Estate Assessment Center (REAC).

SCOPE OF WORK

 FINANCIAL STATEMENTS-A financial statement and compliance audit of HACSB for fiscal years ending September 30, 2020, September 30, 2021, and September 30, 2022; with an option to renew for the fiscal year ending September 30, 2023 and the fiscal year ending September 30, 2024; performed in accordance with Section "Audit Standards" above. The statement should include the following:

Basic Financial Statements

- Statement of Net Position
- Statement of Revenues, Expenses and Changes Net Position
- Statement of Cash Flows
- Notes to Basic Financial Statements

Required Supplementary Information (Other than MD&A)

- Schedule of Changes in Net Pension Liability and Related Ratios
- Schedule of Pension Plan Contributions
- Schedule of Changes in Net OPEB Liability and Related Ratios
- Schedule of OPEB Plan Contributions

Other Supplementary Information

- Combining Schedule of Program Net Position by fund/program/funding
- Combining Schedule of Program Revenues, Expenses and Changes in Net Position by fund/program/funding
- Schedule of Expenditures of Federal Awards
- Statement of Certification of Actual Capital Fund Grant Costs Completed for The Year.
- Schedule of Public Housing Capital Funds Grants
- Financial Data Schedule
- Entity Wide Balance Sheet
 Entity Wide Revenue and Expense Summary
- Supplementary Data Required by the California Department of Housing and Community Development
- Housing Authority Successor Agency Supplemental Information

Report on Compliance with Applicable Laws, Regulations and Grant agreements for:

- Housing Choice Voucher Program
- Low Income Public Housing Program
- Rental Assistance Demonstration (RAD) program.
- Capital Fund Program
- Continuum of Care (Shelter Plus Care), VASH, Mainstream, and HOPWA Programs
- Locally owned units, locally managed units and local funds

The above procedures should be performed in accordance with OMB Circular A-133 and the Public and Indian Housing Compliance Supplement.

Report on Internal Controls in accordance with OMB Circular, A-133.

- 1.1 **FINANCIAL STATEMENTS**-A financial statement and compliance audit of Yucaipa Terrace Project for fiscal years ending September 30, 2020, September 30, 2021, and September 30, 2022; with an option to renew for the fiscal year ending September 30, 2023 and the fiscal year ending September 30, 2024 with a due date of 90 days after the project's fiscal year ending date. The audit must be performed in accordance with "Audited Financial Statements Handbook for Multifamily Rental Housing" published by the California Department of Housing and Community Development California Housing Finance Agency
- ATTESTATION-Attestation and compilation by auditors on Financial Data System (FDS) data as to its "fair presentation in relation to audited basic financial statements" in accordance with Government Auditing standards.
- ADDITIONAL SERVICES-If the need for other audit services arises concerning the fiscal year under audit, HACSB expects to be able to negotiate with the selected auditor to obtain the additional services needed.

4. REPORTS

- A. One PDF and 12 bound copies of each audit opinion, financial statements and compliance report shall be submitted to the Executive Director within <u>270 days</u> of the close of the Authority's' fiscal year, but not later than May 30th of each year. It is anticipated that financial records will be closed and ready for audit by December 15 of each year. The Single Audit Act stipulates a submission requirement of no later than nine (9) months after the end of the audit period and REAC stipulates a submission due date of nine (9) months after the fiscal year end. However, the Authority requires that the audit report shall be submitted within <u>270 days</u> after the closing of the HACSB's fiscal year end, but no later than May 30th of each year.
- B. Preparation of the Data Collection Form for submission to the Federal Audit Clearinghouse.
- C. Any other reports as requested by the Housing Authority and as required by HUD's Uniform Financial Reporting Standards (UFRS) for Public Housing Authority. These reports may include, <u>but are not limited to</u>, the following:

Reports required by the Housing Authority
Home FUND supplemental Financials
Housing Authority Successor Agency Supplemental Financials

Reports required by HUD
FDS-Unaudited
FDS Audited
Data Collection Form

D. The auditor will be expected to provide a letter to the Executive Director on the non-reportable conditions and immaterial instances of noncompliance. This letter will also include general recommendations on observations made during the audit that could be helpful to the management of the Authority. E. The auditor will be expected to attend a meeting with the Executive Director and Deputy Executive Director to present the audit report and review the management letter.

5. AUDITOR RESPONSIBILITIES

- A. Independent Accountants' Report on Applying Agreed-Upon Procedures for the FY 2020 HACSB Computation of Payment in Lieu of Taxes. Auditor shall examine these items; however, a separate report is not issued, nor is it required.
- B. Independent Auditors' Report on the Schedules of Actual Modernization Cost Certificate for completed and uncompleted Capital Fund Grants(s). Note that this item is issued separately.
- C. Preparation of FY 2020 for SF-SAC, Data Collection Form for Reporting on Audits of States, Local Governments, and Non-Profit Organization.
- D. Independent Auditors Management Letter to the Executive Director concerning minor findings noted that were not material in nature during tests of internal control structures policies and procedures.
- E. Auditor shall perform audit tests of private firms at their management office sites, and their home office location, and at Housing Services Management Offices/Public Housing Management Offices. HACSB currently uses one private property management company. All files related to the properties that the management company maintains are kept in one location. The auditors would visit the offices of the property management company during the interim testing and the year-end testing.
- F. Auditor shall assist in draft preparation of the Management Discussion and Analysis (MD&A) and audit the HACSB completed MD&A.
- G. Auditor shall provide 12 Bound copies of the final audit report.
- H. The Auditor agrees to adhere to the following audit engagement schedule:
- I. Audit fieldwork shall start no later than January 15 of each year. HACSB will have all books closed and ready for audit within 75 days after fiscal year end. HACSB will provide the audit lead sheets along with supporting documentation.
- J. The auditor shall prepare an audit schedule to include when specific HACSB and private firm sites will be visited for audit tests, and a schedule of when specific Administration Offices' staff will be interviewed. These schedules shall be prepared within 60 calendar days prior to the start of any field work
- K. After each HACSB site visit, the Auditor shall conduct an exit discussion with the site supervisor to discuss audit results. The site supervisor and Executive Director also be provided a written summary of any noted findings or audit issues after each site visit.
- L. The Auditor shall immediately review with the Executive Director any material findings or audit issues that are noted during the audit. The Auditor shall provide a monthly status review of audit progress during the audit fieldwork.

- M. Audit fieldwork shall be completed on or before March 1 of each year. Auditor shall provide by April 1st, a draft audit report to the Finance Manager. Within 5 working days of HACSB's final draft approval, which will be no later than May 30th, the auditor shall provide the following documents for transmission with the audited FDS: Independent Auditor's Report, top-level financial statements, notes to basic financial statements, Auditor Reports on Compliance, Internal Control and Schedule of Expenditures of Federal Awards.
- N. The Auditor shall conduct an audit exit discussion with the Executive Director and Deputy Executive Director within 10 workdays after issuance of the draft audit report. The Auditor may be requested to attend a Board of Commissioners meeting to discuss material audit issues.
- O. The Auditor shall perform their on-line review, compilation, and submittal into the HUD Real Estate Assessment Center (REAC) financial assessment system within 2 days prior to the FDS deadline.
- P. The final audit report shall be issued within the Audited FDS submission, after HUD REAC approves the audit FDS.
- Q. The Authority understands that generally accepted auditing standards require that the Auditor obtain a representation letter form the Authority prior to completion of the audit and submission of the Audit Report. This representation letter requires that the Executive Director and Finance Manager provide the Auditor with assurance based on knowledge and belief as to matters concerning the accounting records, operations and matters contained within the financial statements. Delay in providing this assurance will extend the date of completion of the audit.
- R. The Authority may, before or during the conduct of the audit, request changes in the scopes of the services of the Auditor to be performed under this contract. Such changes including any increase or decrease in the amount of the Auditor's report, which are mutually agreed upon by and between the Authority and the Auditor, shall be incorporated into written amendments to the contract.
- S. The books of account and financial records to be audited are maintained and are located at the Authority's Administration Offices at 715 East Brier Drive, San Bernardino, California. These books and records will be made available to the Auditor by the Authority during normal business hours. Non-financial records required for compliance testing are maintained at various management offices throughout the County. Financial records of property management firms that manage our public housing units are maintained at their corporate/home office.
- T. If the Auditor ascertains the Authority's books and records are not in a sufficiently satisfactory condition for performing an audit, the Auditor shall disclose this deficiency to the Authority.
- U. The Auditor must be a Certified Public Accountant, licensed by the State of California and must meet any legal requirements concerning registration in the State of California.

Scope of Services – Annual Fee Schedule:

Contract Base Years:

Base Year:	Fiscal Year Ending:	Cost:
Year 1	September 30, 2020	\$95,580.00
Year 2	September 30, 2021	\$97,230.00
Year 3	September 30, 2022	\$98,980.00
Not-To Exceed Total:		\$291,790.00

Contract Option Years:

Option Year:	Fiscal Year Ending:	Cost:
Year 1	Septermber 30, 2023	\$101,230.00
Year 2	September 30, 2024	\$102,780.00

Exhibit A-1 Engagement Letters

Documents on Following Page



July 22, 2020

Ms. Maria Razo
Housing Authority of the County of San Bernardino
715 East Brier Drive
San Bernardino, CA 92408-2841

RE: Agreed-Upon Procedure Service for Housing Authority of the County of San Bernardino

Dear Ms. Razo:

Thank you for choosing CohnReznick LLP ("CohnReznick" and/or "we") to perform professional services for the Housing Authority of the County of San Bernardino (referred to herein as the "Organization", and/or "you"). This engagement letter and the attached General Terms and Conditions (collectively, the "Agreement") shall confirm our understanding of the services we are to provide the Organization for each of the years ended September 30, 2020, 2021, 2022, 2023 and 2024. This engagement letter is being issued under Exhibit A, Scope of Services, to the agreement between CohnReznick and the Housing Authority of the County of San Bernardino (Contract No. PC 1154).

CohnReznick will perform the following services:

Electronic Submission

The owning entity has the responsibility to make an electronic submission to the U.S. Department of Housing and Urban Development ("HUD")'s Real Estate Assessment Center ("REAC") via the Internet under the Uniform Financial Reporting Standards for HUD Housing Programs published September 1, 1998. The submission deadline is no more than nine months after year-end.

We have the responsibility to confirm that the data submitted are accurate and agree with the hard copies of the supporting documentation. This agreed-upon procedure engagement does not include any services which constitute an audit of the financial statements.

Agreed-Upon Procedure

We will apply the agreed-upon procedure which HUD, Public Indian Housing-Real Estate Assessment Center ("PIH-REAC"), and Housing Authority of the County of San Bernardino have specified and agreed to, listed in the attached schedule, to the electronic submission and related hard copy documents listed in the attached schedule of Housing Authority of the County of San Bernardino as of and for each of the years ended September 30, 2020 through 2024.

Our engagement to apply the agreed-upon procedure will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. The sufficiency of the procedure performed or to be performed is solely the responsibility of those specified parties in the report and we will require an acknowledgement in writing of that sufficiency and that



responsibility. Consequently, we make no representation regarding the sufficiency of the procedure described in the attached schedule either for the purpose for which the agreed-upon procedure report has been requested or for any other purpose. If, for any reason, we are unable to complete the procedure, we will describe any restrictions on the performance of the procedure in our report, or will not issue a report as a result of this engagement.

Because the agreed-upon procedure listed in the attached schedule does not constitute an examination or review, we will not express an opinion or conclusion, respectively, on the electronic submission and related hard copy documents. In addition, we have no obligation to perform any procedures beyond those listed in the attached schedule.

We plan to begin our procedures on approximately May 15 following each fiscal year-end and, unless unforeseeable problems are encountered, the engagement should be completed by June 30 following each fiscal year-end.

We will submit a written report upon completion of our engagement that lists the procedure performed and our findings. This report is intended solely for the use of Housing Authority of the County of San Bernardino and HUD, PIH-REAC and is not suitable for any other purpose. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you. Further, we take no responsibility for the security of the information transmitted electronically to the HUD, PIH-REAC.

An agreed-upon procedures engagement is not designed to detect instances of fraud or noncompliance with laws or regulations; however, we will communicate to you any known and suspected fraud and noncompliance with laws or regulations affecting the electronic submission and related hard copy documents that come to our attention. CohnReznick shall not have responsibility for prevention and detection of fraud, and CohnReznick's services cannot be relied upon to detect fraud, defalcations or other irregularities. Because of the characteristics of fraud, particularly those involving concealment through collusion, falsified documentation and management's ability to override controls, our services may not detect a material fraud. CohnReznick expressly disclaims any responsibility for detecting fraud affecting the Company and the Company releases CohnReznick from any liability for failure to detect fraud. If the Company needs assistance in this area, CohnReznick can refer the Company to others who specialize in fraud detection and investigations, and who can provide such services pursuant to a separate engagement setting forth the agreed upon scope of such services.

In addition, if, in connection with this engagement, matters come to our attention that contradict the electronic submission and related hard copy documents listed in the attached schedule, we will disclose those matters in our report.

You are responsible for designing, implementing and maintaining effective internal controls, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulation, contracts, and grant agreements.

You are responsible for and for asserting that the electronic submission to HUD, PIH-REAC of the information listed in the attached schedule agrees with the related hard copy documents within the OMB Uniform Administrative Requirements reporting package; and for selecting the criteria and procedures and determining that such criteria and procedures are appropriate for your purposes.

In addition, you are responsible for providing us with (1) access to all information of which you are aware that is relevant to the performance of the agreed-upon procedure on the subject matter, (2) additional information that we may request for the purpose of performing the agreed-upon procedure, and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain evidence relating to performing the procedure.

You agree to retain a copy of the OMB Uniform Administrative Requirements reporting package in its entirety.

The attest documentation for this engagement is the property of CohnReznick and constitutes confidential information. However, we may be requested to make certain attest documentation available to the Secretary of Housing and Urban Development or designee, the HUD Inspector General, or the U.S. Government Accountability Office or their representatives, pursuant to authority given to them by law or regulation. We will notify you of any such request. If requested, access to such attest documentation will be provided under the supervision of CohnReznick personnel. Furthermore, upon request, we may provide copies of selected attest documentation to HUD or the Government Accountability Office representatives. HUD and the Government Accountability Office may decide to distribute the copies or information contained therein to others, including other governmental agencies.

Ahamadou Alainchar Bocar is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. At the conclusion of our engagement, we will require certain written representations in the form of a representation letter from management that, among other things, will contain management's assertion that the electronic submission to HUD, PIH-REAC of the information listed in the attached schedule agrees with the related hard copy documents within the OMB Uniform Administrative Requirements reporting package.

If the need for additional procedures arises, or the procedures need to be modified, our agreement with you will need to be revised in writing. It is customary for us to enumerate these revisions in an addendum to this letter. If additional specified parties of the report are added, we will require that they acknowledge in writing their agreement with the procedures performed or to be performed and their responsibility for the sufficiency of procedures.

We estimate that our fee for these services will be as per agreement between CohnReznick and the Housing Authority of the County of San Bernardino (Contract No. PC 1154) (the "Fee"). The Fee is due and payable to us on or before June 30 following each fiscal year end.

Invoices will be rendered on or about the dates indicated above and are payable upon presentation.

The Fee is based on the time budgeted to perform the engagement assuming certain conditions including anticipated cooperation from the Company's personnel, timely responses to our requests/inquiries and the assumption that unexpected circumstances would not be encountered during the engagement (such as new attestation standards, illegal or fraudulent

acts, incomplete accounting records, etc.). In the event any such circumstances arise which cause the actual time incurred to exceed the budgeted time, we shall advise you and you shall be separately invoiced for the additional time expended by CohnReznick.

This Agreement does not constitute an engagement to perform any services other than those specified in this Agreement, and only for the entities referred to as Company herein. Should additional services be requested, we will separately agree to the terms of the engagement by means of an addendum to this Agreement or a separate engagement letter.

The agreed-upon procedures report should not be provided or otherwise made available to recipients of any document to be used in connection with the sale of securities (including securities offering on the Internet) without first obtaining our written consent.

Management authorizes CohnReznick to post any draft and final versions of its financial statements and other related engagement documents to the CohnReznick Portals in order to facilitate management's access to these documents. The Portal site is intended solely to accommodate the Company (and the Company alone will be given access to the Portal site). The Company is not authorized to grant access to the Portal site to any third party.

By your execution of this Agreement, the undersigned represent and warrant that he or she is authorized on behalf of the entity or entities listed to bind and are in fact binding each such entity to the terms and conditions of this Agreement.

We appreciate the opportunity to be of service to you. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this Agreement, please sign the enclosed copy and return it to us.

Manador Maincher Break		
Ahamadou Alainchar Bocar, CPA Partner		
AAB/kj		
Attachment: General Terms and Conditions (ver. 12/2019)		
ACREED TO AND ACCEPTED BY		
AGREED TO AND ACCEPTED BY:		
Housing Authority of the County of San Bernardino		
By: Mana Ross Authorized signature		
Print Name: Maria Razo		
Title: Executive Director		

Date: September 2, 2020

Sincerely,

Agreed-Upon Procedure

Compare the electronic submission of the items listed in the "UFRS Rule Information" column with the corresponding printed documents listed in the "Hard Copy Documents" column as shown in the chart below.

	· · · · · · · · · · · · · · · · · · ·
UFRS Rule Information	Hard Copy Documents
Balance Sheet and Revenue and Expense (data line items 111 to 13901)	Financial Data Schedule, all CFDAs, if applicable
Footnotes (data element G5000-010)	Footnotes to audited basic financial statements
Type of opinion on FDS (data element G3100-040)	Auditor's supplemental report on FDS
Audit findings narrative (data element G5200-010)	Schedule of Findings and Questioned Costs
General information (data element series G2000, G2100, G2200, G9000, G9100)	OMB Data Collection Form
Financial statement report information (data element G3000-010 to G3000-050)	Schedule of Findings and Questioned Costs, Part 1 and OMB Data Collection Form
Federal program report information (data element G4000-020 to G4000-040)	Schedule of Findings and Questioned Costs, Part 1 and OMB Data Collection Form
Type of Compliance Requirement (G4200-020 & G4000-030)	OMB Data Collection Form
Basic financial statements and auditor's reports required to be submitted electronically	Basic financial statements (inclusive of auditor reports)

GENERAL TERMS AND CONDITIONS

References to Client in these General Terms and Conditions shall refer to "you", "Company", "Client" or other term used in the engagement letter to refer to the individual(s) or entity(ies) for whom the services are being performed and the individual(s) or entity(ies) who signed the engagement letter.

Client Representations: Client acknowledges that as a condition of CohnReznick's engagement, Client agrees to the best of Client's knowledge and belief to be truthful, accurate, and complete in making oral or written representations to CohnReznick during the course of its engagement and in any written representations that may be required at the conclusion of the engagement. Because of the importance of management's representations to the services. Client shall be responsible for any and all claims, liabilities, damages, and costs relating to CohnReznick's services arising out of or caused by any misrepresentations by Client's management, personnel or representatives.

Invoicing & Payment Terms: Unless otherwise agreed to in the engagement letter, Client agrees to pay CohnReznick fees for its services based upon the time expended in performing the services at CohnReznick's hourly rates in effect at the time the services were rendered plus out-of-pocket costs. Invoices that are not paid in full within thirty (30) days after receipt of the invoices shall be subject to interest of 1% per month (12% annual percentage rate), computed from the date of the invoice until paid.

Client shall reimburse CohnReznick for reasonable costs and attorneys' fees incurred by CohnReznick should it prevail in proceedings to collect fees due from Client to CohnReznick.

Confidentiality: CohnReznick agrees that any confidential information received from Client ("Client information") will be kept confidential and CohnReznick will not disclose any Client information to any third party except as permitted in this Agreement including, but not limited to, the Use of Third Parties, Third-Party Requests and Electronic Signatures, Transmissions & Storage sections of these General Terms and Conditions, or with Client's prior written consent.

Use of Third Parties: Client acknowledges that CohnReznick may use service providers, affiliated entities (including CohnReznick Professional Services PVT Ltd. or other affiliated entities located outside the United States) and/or subcontractors (collectively, "service providers") to assist with the performance of services under this Agreement. CohnReznick's use of service providers may require access to Client information by the service provider. CohnReznick will remain responsible for the confidentiality of Client information accessed by such service provider and any work performed by such service provider.

Third-Party Requests: In the event CohnReznick is required pursuant to law, regulation, subpoena or applicable professional standards and/or rules to produce Client information or CohnReznick's personnel as witnesses including in connection with any legal or regulatory action or proceeding involving or relating to any services provided by CohnReznick (collectively, a "Demand"), CohnReznick shall, to the extent legally permissible, notify Client promptly of the Demand to allow Client to seek a protective order or other relief, unless the Demand is made pursuant to regulatory oversight applicable to CohnReznick, Client shall reimburse CohnReznick for its professional time, expenses (including reasonable attorneys' fees), costs and/or losses incurred in connection with a Demand or in connection with any other production of Client information authorized or requested by the Client, provided CohnReznick is not a party to the proceeding or the subject of the investigation in which the information is sought.

Record Retention: CohnReznick's working papers, records and other file materials (collectively, "files") are CohnReznick's property and are not a substitute for Client's own records. It is Client's responsibility to retain copies of its own records and any Client deliverables provided by CohnReznick. CohnReznick shall not store any Client documentation or Client deliverables for Client. Client agrees that CohnReznick shall not be liable to Client for the destruction of CohnReznick's files including any Client documentation contained therein.

Non-Solicitation: During the term of this Agreement and for a period of one year thereafter, Client agrees, except with CohnReznick's express written consent, not to solicit (except by means of a general solicitation not targeted to any individual employee or group of employees for employment or any consulting or other relationship substantially equivalent to employment), entice, hire or employ any of CohnReznick's employees.

LIMITATIONS: CLIENT AGREES COHNREZNICK'S AND PERSONNEL'S ITS MAXIMUM LIABILITY TO CLIENT AND CLIENT'S PERSONNEL FOR ANY ACTS OR OMISSIONS (INCLUDING NEGLIGENT ACTS AND OMISSIONS) BY COHNREZNICK (INCLUDING ITS AFFILIATES AND/OR SUBCONTRACTORS) AND/OR ITS PERSONNEL ARISING OUT OF OR RELATED TO THIS AGREEMENT OR ANY SERVICES PROVIDED TO CLIENT WILL BE LIMITED TO \$1,000,000. THIS LIMITATION SHALL NOT APPLY TO THE EXTENT IT IS DETERMINED THAT THE LOSS WAS CAUSED BY COHNREZNICK'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

EXCEPT FOR THE INDEMNIFICATION OBLIGATIONS SET FORTH HEREIN, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY OR ITS PERSONNEL FOR ANY

GENERAL TERMS AND CONDITIONS

CONSEQUENTIAL, INCIDENTAL, INDIRECT, PUNITIVE OR SPECIAL DAMAGES, INCLUDING ANY AMOUNT FOR LOSS OF PROFIT, DATA OR GOODWILL, WHETHER OR NOT THE LIKELIHOOD OF SUCH LOSS OR DAMAGE WAS CONTEMPLATED,

USE & INDEMNIFICATION: CLIENT AGREES TO INDEMNIFY COHNREZNICK AND ITS PERSONNEL FROM AND AGAINST ANY AND ALL CLAIMS OR DAMAGES ASSERTED AS PART OF A LEGAL PROCEEDING BROUGHT AGAINST COHNREZNICK BY A THIRD PARTY DIRECTLY RELATING TO SUCH THIRD PARTY'S RELIANCE ON THE DELIVERABLES PROVIDED TO CLIENT PURSUANT TO THIS AGREEMENT.

<u>Electronic Signatures, Transmissions & Storage</u>: This Agreement may be transmitted in electronic format and shall not be denied legal effect because it was formed or transmitted, in whole or in part, by electronic means. An electronic, digital or electronically transmitted signature (collectively, "Electronic Signature") will be deemed an acceptable original.

Notwithstanding anything else to the contrary herein. CohnReznick and Client acknowledge that they may use e-mail, facsimile and/or other electronic means (including commercial services for data processing, cloud storage, data or document storage, cloud computing and/or file sharing) to communicate, transmit, share and store documents under this Agreement. Each party accepts the inherent risks associated with the use of electronic means to communicate, transmit, share and store information. Client Data Privacy: The CohnReznick Client Data Privacy Notice can be accessed https://www.cohnreznick.com/insights/client-dataprivacy-notice. It is incorporated herein by reference and applies to the extent CohnReznick processes personal data that is subject to the data protection laws as set forth therein.

Choice of Law: This Agreement, and any claims, matters or obligations arising out of or related to this Agreement or any services provided to the Client, including, but not limited to, claims arising in contract, tort, fraud, under statute or otherwise, shall be governed by and construed in accordance with the laws of the State of California as if this Agreement was entered into, and was to be entirely performed within, the State of California without giving any effect to any contrary choice of law or conflict of law provision or rule (whether of the State of California or any other jurisdiction).

<u>Dispute Resolution</u>: Any dispute, controversy, or claim arising out of or relating to the services or the performance or breach of this Agreement (including disputes regarding the termination, validity, interpretation or enforceability of this provision) or any prior services or agreements between the parties shall

be finally resolved by arbitration in accordance with the International Institute for Conflict Prevention and Resolution ("IICPR") Rules for Non-Administered Arbitrations in effect on the date of this Agreement (unless those rules are inconsistent with this clause in which case this clause shall govern) by a panel of three arbitrators to be selected in accordance with the screened selection process provided for in such rules provided, however, the two party-appointed arbitrators shall select the third arbitrator who shall be a retired Judge and does not need to be on the IICPR's list of arbitrators. The arbitration shall take place in San Bernardino. California and shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1 et seq. The arbitration shall be confidential, and any award shall be binding and final. In agreeing to arbitration, the parties acknowledge that in the event of any dispute (including a dispute over fees) the parties are giving up the right to have the dispute decided in a court of law before a judge or jury and instead the parties are accepting the use of arbitration for resolution.

The arbitration panel shall have no authority to award punitive damages, damages that are inconsistent with those damages allowed under this Agreement, or a remedy that could not be made or imposed by a court deciding the matter in the same jurisdiction.

All fees and expenses for the arbitrators, meeting and hearing facilities and hearing transcripts shall be split evenly 50% by the claimant(s) and 50% by the respondent(s), with any division among claimants or respondents to be decided by each side respectively as the case may be. No neutral experts shall be appointed by the arbitration Panel.

At the initial pre-hearing conference, the arbitrators shall (a) require that the parties exchange (i) a good faith calculation of claimed damages or counterclaimed damages, (ii) the name and, if known, address and telephone number of each person likely to have knowledge of relevant information, and (iii) nonprivileged documents, including those in electronic form, that are relevant to the issues raised by any claim, defense or counterclaim; and (b) determine the number of depositions to be permitted taking into consideration the nature of the claims. Third-party subpoenas seeking documents and/or testimony shall be permitted. Unless the parties agree otherwise or the arbitrators determine that proceedings should be bifurcated in some manner, absent extraordinary circumstances, the arbitration hearing shall be held on consecutive hearing days. In the event it is necessary to confirm the arbitration award in court, the costs of such confirmation proceedings, including attorneys' fees, incurred by the party seeking confirmation shall be borne entirely by the party against whom enforcement is sought.

<u>Term & Termination</u>: This Agreement applies to all services performed at any time (including before the date of this Agreement) arising out of or related to the

GENERAL TERMS AND CONDITIONS

subject matter of this Agreement. This Agreement shall terminate upon completion of the services.

Either party may terminate this Agreement, or the services, upon 30 days' prior written notice to the other. CohnReznick may terminate this Agreement, or the services, immediately upon written notice to Client (a) if CohnReznick determines in its professional judgment that it is unable to complete the services in accordance with applicable law or professional standards, (b) for reasonable cause (including failure to provide the information or cooperation necessary for successful performance of the services), or (c) if Client's account becomes overdue.

The services will be deemed to be concluded upon written notification of termination (regardless of the extent of services performed as of the notification date). Client will be obligated to compensate CohnReznick for the time expended and to reimburse CohnReznick for all expenses and out-of-pocket costs incurred up to and including the date of termination of this Agreement or the services.

Miscellaneous: The provisions of this Agreement that give either of the parties rights or obligations beyond its termination shall survive termination of this Agreement. This Agreement is the complete and exclusive statement of agreement between the parties, and it and supersedes all proposals, communications and agreements between the parties, whether written or oral, related to the subject matter and time periods referenced in this Agreement, including any prior agreement CohnReznick may have entered into related to the confidentiality of information provided by Client to CohnReznick. No terms and/or conditions contained in any "shrink-wrap," "click-wrap" or "click-through" license or agreement, or similar electronic notification shall be of any force or effect, nor shall any terms and conditions contained on Client's website, invoice, purchase order, billing, payment or similar transactional documentation be deemed to amend or supplement this Agreement.

If any provision of this Agreement is found to be invalid, then such provision will be modified to reflect the parties' intention as closely as possible without being unenforceable, and all remaining provisions of this Agreement shall remain in full force and effect.



July 22, 2020

Ms. Maria Razo
Housing Authority of the County of San Bernardino
715 East Brier Drive
San Bernardino, CA 92408-2841

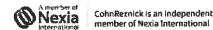
RE: 2020 Audit Services for Housing Authority of the County of San Bernardino

Dear Ms. Razo:

Thank you for choosing CohnReznick LLP ("CohnReznick" and/or "we") to perform professional services for the Housing Authority of the County of San Bernardino (referred to herein as the "Entity", "Company", "Organization", and/or "you"). This engagement letter and the attached General Terms and Conditions (collectively, the "Agreement") shall confirm our understanding of the services we are to provide the Entity for each of the years ended September 30, 2020, 2021, 2022, 2023 and 2024. This engagement letter is being issued under Exhibit A, Scope of Services, to the agreement between CohnReznick and the Housing Authority of the County of San Bernardino (Contract No. 1154).

CohnReznick is pleased to confirm our understanding of the services we are to provide the Housing Authority of the County of San Bernardino for each of the years ended September 30. 2020, 2021, 2022, 2023 and 2024. We will audit the financial statements of the Organization, including the related notes to the financial statements which collectively comprise the basic financial statements of Housing Authority of the County of San Bernardino as of and for each of the years ended September 30, 2020 through 2024. Accounting standards generally accepted in the United States of America provide for certain required supplementary information ("RSI"), such as management's discussion and analysis ("MD&A"), to supplement Housing Authority of the County of San Bernardino's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Housing Authority of the County of San Bernardino's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Pension Plan Schedules
 - a. Schedule of Changes in Net Pension Liability and Related ratios
 - b. Schedule of Pension Plan Contributions



- 3) OPEB Plan Schedules
 - a. Schedule of Changes in Net OPEB liability and Related Ratios and
 - b. Schedule of OPEB Plan Contributions

We have also been engaged to report on supplementary information other than RSI that accompanies Housing Authority of the County of San Bernardino's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditor's report on the financial statements:

- 1) Combining schedules of net position, revenues, expenses and changes in net position.
- 2) Schedule of expenditures of Federal awards
- 3) Schedule of Public Housing Capital Fund Grants
- 4) Financial Data Schedule required by HUD
- 5) Supplemental Data required by the California Department of Housing and Community Development.

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the third paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with Government Auditing Standards.
- Internal control over compliance related to major programs and an opinion (or disclaimer
 of opinion) on compliance with federal statutes, regulations, and the terms and
 conditions of federal awards that could have a direct and material effect on each major
 program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S.
 Code of Federal Regulations ("CFR") Part 200, Uniform Administrative Requirements,
 Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance").

The Governmental Auditing Standards report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (a) that the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance and (b) that the report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing

based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance; and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our single audit. Our reports will be addressed to Board of Commissioners of the Entity. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

Audit Procedures - General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (a) errors, (b) fraudulent financial reporting, (c) misappropriation of assets, or (d) violations of laws or governmental regulations that are attributable to the Entity or to acts by management or employees acting on behalf of the Entity. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors or any fraudulent

financial reporting or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a single audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of Federal awards; Federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures - Internal Control

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to Government Auditing Standards.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major Federal and state award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our reports on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures - Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Entity's compliance with provisions of applicable laws, regulations, contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and

we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the OMB Compliance Supplement for the types of compliance requirements that could have a direct and material effect on each of the Entity's major programs. For federal programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on the Entity's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of Housing Authority of the County of San Bernardino in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for (1) designing, implementing, establishing and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also

responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, including identification of all related parties and all related-party relationships and transactions, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the Housing Authority of the County of San Bernardino from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review on December 1 following the end of each fiscal year.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to [include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon OR make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards in later than the date the schedule of expenditures of federal awards in accordance responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period

(or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to [include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon]. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees and Other

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of Federal awards, summary schedule of prior audit findings, auditor's reports, and

corrective action plan) along with the Data Collection Form to the Federal Audit Clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditor's reports or nine months after the end of the audit period.

We will provide copies of our reports to the Entity; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of CohnReznick and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to US Department of Housing and Urban Development or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. If requested, access to such audit documentation will be provided under the supervision of CohnReznick's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

Ahamadou Alainchar Bocar is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

To ensure that CohnReznick's independence is not impaired under the AICPA Code of Professional Conduct, you agree to inform the engagement partner before entering into any substantive employment discussions with any of our personnel.

We estimate that our fee for these services will be as per the Exhibit D, Work Authorization, to the agreement between CohnReznick and the Housing Authority of the County of San Bernardino (Contract No. 1154) (the "Fee"). The Fee shall be payable to us as services are rendered on or before June 30 following the end of each fiscal year.

Invoices will be rendered on or about the date indicated above and are payable upon presentation.

The Fee is based on the time budgeted to perform the engagement assuming certain conditions including anticipated cooperation from the Company's personnel, timely responses to our requests/inquiries and the assumption that unexpected circumstances would not be encountered during the engagement (such as new audit standards, illegal or fraudulent acts, incomplete accounting records, etc.). In the event any such circumstances arise which cause the actual time incurred to exceed the budgeted time, we shall advise you and you shall be separately invoiced for the additional time expended by CohnReznick.

This Agreement does not constitute an engagement to perform any services other than those specified in this Agreement, and only for the entities referred to as Company herein. Should additional services be requested, we will separately agree to the terms of the engagement by means of an addendum to this Agreement or a separate engagement letter.

The audited financial statements and our report thereon should not be provided or otherwise made available to recipients of any document to be used in connection with the sale of securities (including securities offering on the Internet) without first obtaining our written consent.

Management authorizes CohnReznick to post any draft and final versions of its financial statements and other related engagement documents to the CohnReznick Portals in order to facilitate management's access to these documents. The Portal site is intended solely to accommodate the Company (and the Company alone will be given access to the Portal site). The Company is not authorized to grant access to the Portal site to any third party.

y your execution of this Agreement, the undersigned represent and warrant that he or she is authorized on behalf of the entity or entities listed to bind and are in fact binding each such entity to the terms and conditions of this Agreement.

We appreciate the opportunity to be of service to you. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this Agreement, please sign the enclosed copy and return it to us.

Sincerely,

Kamador Maincher Bocan

Ahamadou Alainchar Bocar, CPA Partner

AAB/kj

Attachment: General Terms and Conditions (ver. 12/2019)

AGREED TO AND ACCEPTED BY:

Housing Authority of the County of San Bernardino

By: ______ Awa Kara Razo

Print Name: _____ Haria Razo

Title: _____ Blu rozo

Date: _____ Blu rozo

GENERAL TERMS AND CONDITIONS

References to Client in these General Terms and Conditions shall refer to "you", "Company", "Client" or other term used in the engagement letter to refer to the individual(s) or entity(ies) for whom the services are being performed and the individual(s) or entity(ies) who signed the engagement letter.

Client Representations: Client acknowledges that as a condition of CohnReznick's engagement, Client agrees to the best of Client's knowledge and belief to be truthful, accurate, and complete in making oral or written representations to CohnReznick during the course of its engagement and in any written representations that may be required at the conclusion of the engagement. Because of the importance of management's representations to the services, Client shall be responsible for any and all claims, liabilities. damages, and costs relating to CohnReznick's services arising out of or caused by misrepresentations by Client's management, personnel or representatives.

Invoicing & Payment Terms: Unless otherwise agreed to in the engagement letter, Client agrees to pay CohnReznick fees for its services based upon the time expended in performing the services at CohnReznick's hourly rates in effect at the time the services were rendered plus out-of-pocket costs. Invoices that are not paid in full within thirty (30) days after receipt of the invoices shall be subject to interest of 1% per month (12% annual percentage rate), computed from the date of the invoice until paid.

Client shall reimburse CohnReznick for reasonable costs and attorneys' fees incurred by CohnReznick should it prevail in proceedings to collect fees due from Client to CohnReznick.

Confidentiality: CohnReznick agrees that any confidential information received from Client ("Client information") will be kept confidential and CohnReznick will not disclose any Client information to any third party except as permitted in this Agreement including, but not limited to, the Use of Third Parties, Third-Party Requests and Electronic Signatures, Transmissions & Storage sections of these General Terms and Conditions, or with Client's prior written consent.

<u>Use of Third Parties</u>: Client acknowledges that CohnReznick may use service providers, affiliated entities (including CohnReznick Professional Services PVT Ltd. or other affiliated entities located outside the United States) and/or subcontractors (collectively, "service providers") to assist with the performance of services under this Agreement. CohnReznick's use of service providers may require access to Client information by the service provider. CohnReznick will remain responsible for the confidentiality of Client information accessed by such service provider and any work performed by such service provider.

Third-Party Requests: In the event CohnReznick is required pursuant to law, regulation, subpoena or applicable professional standards and/or rules to produce Client information or CohnReznick's personnel as witnesses including in connection with any legal or regulatory action or proceeding involving or relating to any services provided by CohnReznick (collectively, a "Demand"), CohnReznick shall, to the extent legally permissible, notify Client promptly of the Demand to allow Client to seek a protective order or other relief, unless the Demand is made pursuant to regulatory oversight applicable to CohnReznick. Client shall reimburse CohnReznick for its professional time, expenses (including reasonable attorneys' fees), costs and/or losses incurred in connection with a Demand or in connection with any other production of Client information authorized or requested by the Client, provided CohnReznick is not a party to the proceeding or the subject of the investigation in which the information is sought.

Record Retention: CohnReznick's working papers, records and other file materials (collectively, "files") are CohnReznick's property and are not a substitute for Client's own records. It is Client's responsibility to retain copies of its own records and any Client deliverables provided by CohnReznick. CohnReznick shall not store any Client documentation or Client deliverables for Client. Client agrees that CohnReznick shall not be liable to Client for the destruction of CohnReznick's files including any Client documentation contained therein.

Non-Solicitation: During the term of this Agreement and for a period of one year thereafter, Client agrees, except with CohnReznick's express written consent, not to solicit (except by means of a general solicitation not targeted to any individual employee or group of employees for employment or any consulting or other relationship substantially equivalent to employment), entice, hire or employ any of CohnReznick's employees.

LIMITATIONS: CLIENT **AGREES** COHNREZNICK'S AND ITS PERSONNEL'S MAXIMUM LIABILITY TO CLIENT AND CLIENT'S PERSONNEL FOR ANY ACTS OR OMISSIONS (INCLUDING NEGLIGENT ACTS AND OMISSIONS) BY COHNREZNICK (INCLUDING ITS AFFILIATES AND/OR SUBCONTRACTORS) AND/OR PERSONNEL ARISING OUT OF OR RELATED TO THIS AGREEMENT OR ANY SERVICES PROVIDED TO CLIENT WILL BE LIMITED TO \$1,000,000. THIS LIMITATION SHALL NOT APPLY TO THE EXTENT IT IS DETERMINED THAT THE LOSS WAS CAUSED BY COHNREZNICK'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

EXCEPT FOR THE INDEMNIFICATION OBLIGATIONS SET FORTH HEREIN, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY OR ITS PERSONNEL FOR ANY

GENERAL TERMS AND CONDITIONS

CONSEQUENTIAL, INCIDENTAL, INDIRECT, PUNITIVE OR SPECIAL DAMAGES, INCLUDING ANY AMOUNT FOR LOSS OF PROFIT, DATA OR GOODWILL, WHETHER OR NOT THE LIKELIHOOD OF SUCH LOSS OR DAMAGE WAS CONTEMPLATED,

USE & INDEMNIFICATION: CLIENT AGREES TO INDEMNIFY COHNREZNICK AND ITS PERSONNEL FROM AND AGAINST ANY AND ALL CLAIMS OR DAMAGES ASSERTED AS PART OF A LEGAL PROCEEDING BROUGHT AGAINST COHNREZNICK BY A THIRD PARTY DIRECTLY RELATING TO SUCH THIRD PARTY'S RELIANCE ON THE DELIVERABLES PROVIDED TO CLIENT PURSUANT TO THIS AGREEMENT.

Electronic Signatures, Transmissions & Storage: This Agreement may be transmitted in electronic format and shall not be denied legal effect because it was formed or transmitted, in whole or in part, by electronic means. An electronic, digital or electronically transmitted signature (collectively, "Electronic Signature") will be deemed an acceptable original.

Notwithstanding anything else to the contrary herein, CohnReznick and Client acknowledge that they may use e-mail, facsimile and/or other electronic means (including commercial services for data processing, cloud storage, data or document storage, cloud computing and/or file sharing) to communicate, transmit, share and store documents under this Agreement. Each party accepts the inherent risks associated with the use of electronic means to communicate, transmit, share and store information.

<u>Client Data Privacy</u>: The CohnReznick Client Data Privacy Notice can be accessed at https://www.cohnreznick.com/insights/client-data-privacy-notice. It is incorporated herein by reference and applies to the extent CohnReznick processes personal data that is subject to the data protection laws as set forth therein.

Choice of Law: This Agreement, and any claims, matters or obligations arising out of or related to this Agreement or any services provided to the Client, including, but not limited to, claims arising in contract, tort, fraud, under statute or otherwise, shall be governed by and construed in accordance with the laws of the State of California as if this Agreement was entered into, and was to be entirely performed within, the State of California without giving any effect to any contrary choice of law or conflict of law provision or rule (whether of the State of California or any other jurisdiction).

<u>Dispute Resolution</u>: Any dispute, controversy, or claim arising out of or relating to the services or the performance or breach of this Agreement (including disputes regarding the termination, validity, interpretation or enforceability of this provision) or any

prior services or agreements between the parties shall be finally resolved by arbitration in accordance with the International Institute for Conflict Prevention and Resolution ("IICPR") Rules for Non-Administered Arbitrations in effect on the date of this Agreement (unless those rules are inconsistent with this clause in which case this clause shall govern) by a panel of three arbitrators to be selected in accordance with the screened selection process provided for in such rules provided, however, the two party-appointed arbitrators shall select the third arbitrator who shall be a retired Judge and does not need to be on the IICPR's list of arbitrators. The arbitration shall take place in San Bernardino, California and shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1 et seq. The arbitration shall be confidential, and any award shall be binding and final. In agreeing to arbitration, the parties acknowledge that in the event of any dispute (including a dispute over fees) the parties are giving up the right to have the dispute decided in a court of law before a judge or jury and instead the parties are accepting the use of arbitration for resolution.

The arbitration panel shall have no authority to award punitive damages, damages that are inconsistent with those damages allowed under this Agreement, or a remedy that could not be made or imposed by a court deciding the matter in the same jurisdiction.

All fees and expenses for the arbitrators, meeting and hearing facilities and hearing transcripts shall be split evenly 50% by the claimant(s) and 50% by the respondent(s), with any division among claimants or respondents to be decided by each side respectively as the case may be. No neutral experts shall be appointed by the arbitration Panel.

At the initial pre-hearing conference, the arbitrators shall (a) require that the parties exchange (i) a good faith calculation of claimed damages or counterclaimed damages, (ii) the name and, if known, address and telephone number of each person likely to have knowledge of relevant information, and (iii) nonprivileged documents, including those in electronic form, that are relevant to the issues raised by any claim, defense or counterclaim; and (b) determine the number of depositions to be permitted taking into consideration the nature of the claims. Third-party subpoenas seeking documents and/or testimony shall be permitted. Unless the parties agree otherwise or the arbitrators determine that proceedings should be bifurcated in some manner, absent extraordinary circumstances, the arbitration hearing shall be held on consecutive hearing days. In the event it is necessary to confirm the arbitration award in court, the costs of such confirmation proceedings, including attorneys' fees, incurred by the party seeking confirmation shall be borne entirely by the party against whom enforcement is sought."

<u>Term & Termination</u>: This Agreement applies to all services performed at any time (including before the

GENERAL TERMS AND CONDITIONS

date of this Agreement) arising out of or related to the subject matter of this Agreement. This Agreement shall terminate upon completion of the services.

Either party may terminate this Agreement, or the services, upon 30 days' prior written notice to the other. CohnReznick may terminate this Agreement, or the services, immediately upon written notice to Client (a) if CohnReznick determines in its professional judgment that it is unable to complete the services in accordance with applicable law or professional standards, (b) for reasonable cause (including failure to provide the information or cooperation necessary for successful performance of the services), or (c) if Client's account becomes overdue.

The services will be deemed to be concluded upon written notification of termination (regardless of the extent of services performed as of the notification date). Client will be obligated to compensate CohnReznick for the time expended and to reimburse CohnReznick for all expenses and out-of-pocket costs incurred up to and including the date of termination of this Agreement or the services.

Miscellaneous: The provisions of this Agreement that give either of the parties rights or obligations beyond its termination shall survive termination of this Agreement. This Agreement is the complete and exclusive statement of agreement between the parties, and it replaces and supersedes proposals. all communications and agreements between the parties, whether written or oral, related to the subject matter and time periods referenced in this Agreement, including any prior agreement CohnReznick may have entered into related to the confidentiality of information provided by Client to CohnReznick. No terms and/or conditions contained in any "shrink-wrap," "click-wrap" or "click-through" license or agreement, or similar electronic notification shall be of any force or effect, nor shall any terms and conditions contained on Client's website, invoice, purchase order, billing, payment or similar transactional documentation be deemed to amend or supplement this Agreement.

If any provision of this Agreement is found to be invalid, then such provision will be modified to reflect the parties' intention as closely as possible without being unenforceable, and all remaining provisions of this Agreement shall remain in full force and effect.

Exhibit B

GENERAL CONDITIONS FOR NON-CONSTRUCTION WORK (HUD – 5370-C)

Document on Following Page

General Conditions for Non-Construction Contracts

Section I – (With or without Maintenance Work)

U.S. Department of Housing and Urban Development

Office of Public and Indian Housing
Office of Labor Relations
OMB Approval No. 2577-0157 (exp. 3/31/2020)

Public Reporting Burden for this collection of information is estimated to average 0.08 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Office of Information Policies and Systems, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600; and to the Office of Management and Budget, Paperwork Reduction Project (2577-0157), Washington, D.C. 20503. Do not send this completed form to either of these addressees.

Applicability. This form HUD-5370-C has 2 Sections. These Sections must be inserted into non-construction contracts as described below:

- Non-construction contracts (without maintenance) greater than \$105,000 - use Section I;
- Maintenance contracts (including nonroutine maintenance as defined at 24 CFR 968.105) greater than \$2,000 but not more than \$150,000 - use Section II; and
- 3) Maintenance contracts (including nonroutine maintenance), greater than \$150,000 use Sections I

Section I - Clauses for All Non-Construction Contracts greater than \$150,000

1. Definitions

The following definitions are applicable to this contract:

- (a) "Authority or Housing Authority (HA)" means the Housing Authority.
- (b) "Contract" means the contract entered into between the Authority and the Contractor. It includes the contract form, the Certifications and Representations, these contract clauses, and the scope of work. It includes all formal changes to any of those documents by addendum, Change Order, or other modification.
- (c) "Contractor" means the person or other entity entering into the contract with the Authority to perform all of the work required under the contract.
- (d) "Day" means calendar days, unless otherwise stated.
- (e) "HUD" means the Secretary of Housing and Urban development, his delegates, successors, and assigns, and the officers and employees of the United States Department of Housing and Urban Development acting for and on behalf of the Secretary.

2. Changes

- (a) The HA may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in the services to be performed or supplies to be delivered.
- (b) If any such change causes an increase or decrease in the hourly rate, the not-to-exceed amount of the contract, or the time required for performance of any part of the work under this contract, whether or not changed by the order, or otherwise affects the conditions of this contract, the HA shall make an equitable adjustment in the not-to-exceed amount, the hourly rate, the delivery schedule, or other affected terms, and shall modify the contract accordingly.
- (c) The Contractor must assert its right to an equitable adjustment under this clause within 30 days from the date of receipt of the written order. However, if the HA decides that the facts justify it, the HA may receive and act upon a

- proposal submitted before final payment of the contract.
- (d) Failure to agree to any adjustment shall be a dispute under clause Disputes, herein. However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.
- (e) No services for which an additional cost or fee will be charged by the Contractor shall be furnished without the prior written consent of the HA.

3. Termination for Convenience and Default

- (a) The HA may terminate this contract in whole, or from time to time in part, for the HA's convenience or the failure of the Contractor to fulfill the contract obligations (default). The HA shall terminate by delivering to the Contractor a written Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Contractor shall: (i) immediately discontinue all services affected (unless the notice directs otherwise); and (ii) deliver to the HA all information, reports, papers, and other materials accumulated or generated in performing this contract, whether completed or in process.
- (b) If the termination is for the convenience of the HA, the HA shall be liable only for payment for services rendered before the effective date of the termination.
- (c) If the termination is due to the failure of the Contractor to fulfill its obligations under the contract (default), the HA may (i) require the Contractor to deliver to it, in the manner and to the extent directed by the HA, any work as described in subparagraph (a)(ii) above, and compensation be determined in accordance with the Changes clause, paragraph 2, above; (ii) take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable for any additional cost incurred by the HA; (iii) withhold any payments to the Contractor, for the purpose of off-set or partial payment, as the case may be, of amounts owed to the HA by the Contractor.
- (d) If, after termination for failure to fulfill contract obligations (default), it is determined that the Contractor had not failed, the termination shall be deemed to have been effected for the convenience of the HA, and the Contractor shall been titled to payment as described in paragraph (b) above.
- (e) Any disputes with regard to this clause are expressly made subject to the terms of clause titled Disputes herein.

4. Examination and Retention of Contractor's Records

(a) The HA, HUD, or Comptroller General of the United States, or any of their duly authorized representatives shall, until 3 years after final payment under this contract, have access to and the right to examine any of the Contractor's directly pertinent books, documents, papers, or other records involving transactions related to this contract for the purpose of making audit, examination, excerpts, and transcriptions.

- (b) The Contractor agrees to include in first-tier subcontracts under this contract a clause substantially the same as paragraph (a) above. "Subcontract," as used in this clause, excludes purchase orders not exceeding \$10,000.
- (c) The periods of access and examination in paragraphs (a) and (b) above for records relating to:
 (i) appeals under the clause titled Disputes;

(ii) litigation or settlement of claims arising from the performance of this contract; or,

(iii) costs and expenses of this contract to which the HA, HUD, or Comptroller General or any of their duly authorized representatives has taken exception shall continue until disposition of such appeals, litigation, claims, or exceptions.

5. Rights in Data (Ownership and Proprietary Interest)

The HA shall have exclusive ownership of, all proprietary interest in, and the right to full and exclusive possession of all information, materials and documents discovered or produced by Contractor pursuant to the terms of this Contract, including but not limited to reports, memoranda or letters concerning the research and reporting tasks of this Contract.

6. Energy Efficiency

The contractor shall comply with all mandatory standards and policies relating to energy efficiency which are contained in the energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub.L. 94-163) for the State in which the work under this contract is performed.

7. Disputes

- (a) All disputes arising under or relating to this contract, except for disputes arising under clauses contained in Section III, Labor Standards Provisions, including any claims for damages for the alleged breach there of which are not disposed of by agreement, shall be resolved under this clause.
- (b) All claims by the Contractor shall be made in writing and submitted to the HA. A claim by the HA against the Contractor shall be subject to a written decision by the HA.
- (c) The HA shall, with reasonable promptness, but in no event in no more than 60 days, render a decision concerning any claim hereunder. Unless the Contractor, within 30 days after receipt of the HA's decision, shall notify the HA in writing that it takes exception to such decision, the decision shall be final and conclusive.
- (d) Provided the Contractor has (i) given the notice within the time stated in paragraph (c) above, and (ii) excepted its claim relating to such decision from the final release, and (iii) brought suit against the HA not later than one year after receipt of final payment, or if final payment has not been made, not later than one year after the Contractor has had a reasonable time to respond to a written request by the HA that it submit a final voucher and release, whichever is earlier, then the HA's decision shall not be final or conclusive, but the dispute shall be determined on the merits by a court of competent jurisdiction.
- (e) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the HA.

8. Contract Termination; Debarment

A breach of these Contract clauses may be grounds for termination of the Contract and for debarment or denial of participation in HUD programs as a Contractor and a subcontractor as provided in 24 CFR Part 24.

9. Assignment of Contract

The Contractor shall not assign or transfer any interest in this contract; except that claims for monies due or to become due from the HA under the contract may be assigned to a bank, trust company, or other financial institution. If the Contractor is a partnership, this contract shall inure to the benefit of the surviving or remaining member(s) of such partnership approved by the HA.

10. Certificate and Release

Prior to final payment under this contract, or prior to settlement upon termination of this contract, and as a condition precedent thereto, the Contractor shall execute and deliver to the HA a certificate and release, in a form acceptable to the HA, of all claims against the HA by the Contractor under and by virtue of this contract, other than such claims, if any, as may be specifically excepted by the Contractor in stated amounts set forth therein.

11. Organizational Conflicts of Interest

- (a) The Contractor warrants that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of work under this contract and a contractor's organizational, financial, contractual or other interests are such that:
 - (i) Award of the contract may result in an unfair competitive advantage; or
 - (ii) The Contractor's objectivity in performing the contract work may be impaired.
- (b) The Contractor agrees that if after award it discovers an organizational conflict of interest with respect to this contract or any task/delivery order under the contract, he or she shall make an immediate and full disclosure in writing to the Contracting Officer which shall include a description of the action which the Contractor has taken or intends to take to eliminate or neutralize the conflict. The HA may, however, terminate the contract or task/delivery order for the convenience of the HA if it would be in the best interest of the HA.
- (c) In the event the Contractor was aware of an organizational conflict of interest before the award of this contract and intentionally did not disclose the conflict to the Contracting Officer, the HA may terminate the contract for default.
- (d) The terms of this clause shall be included in all subcontracts and consulting agreements wherein the work to be performed is similar to the service provided by the prime Contractor. The Contractor shall include in such subcontracts and consulting agreements any necessary provisions to eliminate or neutralize conflicts of interest.

12. Inspection and Acceptance

(a) The HA has the right to review, require correction, if necessary, and accept the work products produced by the Contractor. Such review(s) shall be carried out within 30 days so as to not impede the work of the Contractor. Any

- product of work shall be deemed accepted as submitted if the HA does not issue written comments and/or required corrections within 30 days from the date of receipt of such product from the Contractor.
- (b) The Contractor shall make any required corrections promptly at no additional charge and return a revised copy of the product to the HA within 7 days of notification or a later date if extended by the HA.
- (c) Failure by the Contractor to proceed with reasonable promptness to make necessary corrections shall be a default. If the Contractor's submission of corrected work remains unacceptable, the HA may terminate this contract (or the task order involved) or reduce the contract price or cost to reflect the reduced value of services received.

13. Interest of Members of Congress

No member of or delegate to the Congress of the United States of America or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit to arise there from, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

14. Interest of Members, Officers, or Employees and Former Members, Officers, or Employees

No member, officer, or employee of the HA, no member of the governing body of the locality in which the project is situated, no member of the governing body in which the HA was activated, and no other pubic official of such locality or localities who exercises any functions or responsibilities with respect to the project, shall, during his or her tenure, or for one year thereafter, have any interest, direct or indirect, in this contract or the proceeds thereof.

15. Limitation on Payments to Influence Certain Federal Transactions

(a) Definitions. As used in this clause:

"Agency", as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1).

"Covered Federal Action" means any of the following Federal actions:

- (i) The awarding of any Federal contract:
- (ii) The making of any Federal grant;
- (iii) The making of any Federal loan;
- (iv) The entering into of any cooperative agreement; and,
- (v) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Covered Federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan.

"Indian tribe" and "tribal organization" have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B). Alaskan Natives are included under the definitions of Indian tribes in that Act.

"Influencing or attempting to influence" means making, with the intent to influence, any communication to or appearance before 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 any covered Federal action. "Local government" means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

"Officer or employee of an agency" includes the following individuals who are employed by an agency:

- (i) An individual who is appointed to a position in the Government under title 5, U.S.C., including a position under a temporary appointment;
- (ii) A member of the uniformed services as defined in section 202, title 18, U.S.C.;
- (iii) A special Government employee as defined in section 202, title 18, U.S.C.; and,
- (iv) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, appendix 2.

"Person" means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Recipient" includes all contractors, subcontractors at any tier, and subgrantees at any tier of the recipient of funds received in connection with a Federal contract, grant, loan, or cooperative agreement. The term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Regularly employed means, with respect to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract, grant, loan, or cooperative agreement. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

"State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

(b) Prohibition.

- (i) Section 1352 of title 31, U.S.C. provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay 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 any of the following covered Federal actions: 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.
- (ii) The prohibition does not apply as follows:

- (1) Agency and legislative liaison by Own Employees.
 - (a) The prohibition on the use of appropriated funds, in paragraph (i) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, if the payment is for agency and legislative activities not directly related to a covered Federal activities.
 - (b) For purposes of paragraph (b)(i)(1)(a) of this clause, providing any information specifically requested by an agency or Congress is permitted at any time.
 - (c) The following agency and legislative liaison activities are permitted at any time only where they are not related to a specific solicitation for any covered Federal action:
 - (1) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and,
 - (2) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.
 - (d) The following agency and legislative liaison activities are permitted where they are prior to formal solicitation of any covered Federal action:
 - (1) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;
 - (2) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and
 - (3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507 and other subsequent amendments.
 - (e) Only those activities expressly authorized by subdivision (b)(ii)(1)(a) of this clause are permitted under this clause.
- (2) Professional and technical services.
 - (a) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply in the case of-
 - (i) A payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action.
 - (ii) Any reasonable payment to a person, other than an officer or employee of a

- person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action. Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.
- (b) For purposes of subdivision (b)(ii)(2)(a) of clause, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline.
- (c) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.
- (d) Only those services expressly authorized by subdivisions (b)(ii)(2)(a)(i) and (ii) of this section are permitted under this clause.
- (iii) Selling activities by independent sales representatives.
- (c) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply to the following selling activities before an agency by independent sales representatives, provided such activities are prior to formal solicitation by an agency and are specifically limited to the merits of the matter:
 - Discussing with an agency (including individual demonstration) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and
 - (ii) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.
- (d) Agreement. In accepting any contract, grant, cooperative agreement, or loan resulting from this solicitation, the person submitting the offer agrees not to make any payment prohibited by this clause.
- (e) Penalties. Any person who makes an expenditure prohibited under paragraph (b) of this clause shall be subject to civil penalties as provided for by 31 U.S.C. 1352. An imposition of a civil penalty does not prevent the Government from seeking any other remedy that may be applicable.
- (f) Cost Allowability. Nothing in this clause is to be interpreted to make allowable or reasonable any costs which would be unallowable or unreasonable in accordance with Part 31 of the Federal Acquisition Regulation (FAR), or OMB Circulars dealing with cost allowability for recipients of assistance agreements. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any of the provisions of FAR Part 31 or the relevant OMB Circulars.

16. Equal Employment Opportunity

During the performance of this contract, the Contractor agrees as follows:

- (a) The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.
- (b) The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to (1) employment; (2) upgrading; (3) demotion; (4) transfer; (5) recruitment or recruitment advertising; (6) layoff or termination; (7) rates of pay or other forms of compensation; and (8) selection for training, including apprenticeship.
- (c) The Contractor shall post in conspicuous places available to employees and applicants for employment the notices to be provided by the Contracting Officer that explain this clause.
- (d) The Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- (e) The Contractor shall send, to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, the notice to be provided by the Contracting Officer advising the labor union or workers' representative of the Contractor's commitments under this clause, and post copies of the notice in conspicuous places available to employees and applicants for employment.
- (f) The Contractor shall comply with Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor.
- (g) The Contractor shall furnish all information and reports required by Executive Order 11246, as amended and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto. The Contractor shall permit access to its books, records, and accounts by the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (h) In the event of a determination that the Contractor is not in compliance with this clause or any rule, regulation, or order of the Secretary of Labor, this contract may be canceled, terminated, or suspended in whole or in part, and the Contractor may be declared ineligible for further Government contracts, or federally assisted construction contracts under the procedures authorized in Executive Order 11246, as amended. In addition, sanctions may be imposed and remedies invoked against the Contractor as provided in Executive Order 11246, as amended, the rules, regulations, and orders of the Secretary of Labor, or as otherwise provided by law.
- (i) The Contractor shall include the terms and conditions of this clause in every subcontract or purchase order unless exempted by the rules, regulations, or orders of the Secretary of Labor issued under Executive Order 11246, as amended, so that these terms and conditions will be binding upon each subcontractor or vendor. The Contractor shall take such action with respect to any subcontractor or purchase order as the Secretary of Housing and Urban Development or the Secretary of Labor may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided that if the

Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

17. Dissemination or Disclosure of Information

No information or material shall be disseminated or disclosed to the general public, the news media, or any person or organization without prior express written approval by the HA.

18. Contractor's Status

It is understood that the Contractor is an independent contractor and is not to be considered an employee of the HA, or assume any right, privilege or duties of an employee, and shall save harmless the HA and its employees from claims suits, actions and costs of every description resulting from the Contractor's activities on behalf of the HA in connection with this Agreement.

19. Other Contractors

HA may undertake or award other contracts for additional work at or near the site(s) of the work under this contract. The contractor shall fully cooperate with the other contractors and with HA and HUD employees and shall carefully adapt scheduling and performing the work under this contract to accommodate the additional work, heeding any direction that may be provided by the Contracting Officer. The contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or HA employee.

20. Liens

The Contractor is prohibited from placing a lien on HA's property. This prohibition shall apply to all subcontractors.

- 21. Training and Employment Opportunities for Residents in the Project Area (Section 3, HUD Act of 1968; 24 CFR 135)
- (a) The work to be performed under this contract 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). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUDassisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- (b) The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- (c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of

- apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- (d) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- (e) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.
- (f) Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

22. Procurement of Recovered Materials

- (a) In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Contractor shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition. The Contractor shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the Contractor determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.
- (b) Paragraph (a) of this clause shall apply to items purchased under this contract where: (1) the Contractor purchases in excess of \$10,000 of the item under this contract; or (2) during the preceding Federal fiscal year, the Contractor: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that contract.

Exhibit C Additional General Provisions

Document on Following Page

ADDITIONAL GENERAL PROVISIONS

- DEFINITIONS: The following terms shall be given the meaning shown, unless context requires otherwise, or a unique meaning is otherwise specified.
 - a. **Business Entity"** means any individual, business, partnership, joint venture, corporation, Scorporation, limited liability partnership, sole proprietorship, joint stock company, consortium, or other private legal entity recognized by statute.
 - b. "Contractor" means the Business Entity with whom the Housing Authority of the County of San Bernardino enters into this Agreement. Contractor shall be synonymous with "supplier", "vendor" or other similar term.
 - c. "Firm Price" means the Agreement requires the delivery of products or services at a specific price, fixed at the time of the Agreement and not subject to any adjustment on the basis of Contractor's cost experience in performing under the terms of the Agreement.
 - d. "HACSB" means the Housing Authority of the County of San Bernardino, its employees and authorized representatives, including without limitation any department, agency, or other unit of HACSB.
 - e. "Non-routine maintenance" means duties or tasks that ordinarily would be performed on a regular basis in the course of upkeep of property, but have become substantial in scope because they have been put off, and involve expenditures that would otherwise materially distort the level trend of maintenance expenses. Replacement of equipment and materials rendered unsatisfactory because of normal wear and tear by items of substantially the same kind does qualify, but reconstruction, substantial improvement in the quality or kind of original equipment and materials, or remodeling that alters the nature or type of housing units does not qualify.
- 2. COMPLIANCE WITH STATUTES AND REGULATIONS: Contractor will comply with all applicable statutes, rules, regulations and orders of the United States, the State of California and HACSB.
- 3. CONTRACTOR'S POWER AND AUTHORITY: Contractor warrants that it has full power and authority to enter into and perform its obligations under this Agreement. Further, Contractor agrees that it will not enter into any arrangement with any third party which might abridge any rights of HACSB under this Agreement.
- 4. TRANSPORTATION COSTS AND OTHER FEES OR EXPENSES: No charge for delivery, express, parcel post, packing, cartage, insurance, license fees, permits, cost of bonds, or for any other purpose will be paid by HACSB unless expressly included and itemized in the Agreement.
 - Contractor must strictly follow Agreement requirements regarding Free on Board (F.O.B.), freight terms and routing instructions. HACSB may permit use of an alternate carrier at no additional cost to HACSB with advance written authorization of HACSB.
 - b. If "prepay and add" is selected, supporting freight bills are required when over \$50, unless an exact freight charge is approved by HACSB and a waiver is granted in writing and in advance of shipping.
 - c. On "F.O.B. Shipping Point" transactions, should any shipments under the Agreement be received by HACSB in a damaged condition and any related freight loss and damage claims filed against the carrier or carriers be wholly or partially declined by the carrier or carriers with the inference that damage was the result of the act of the shipper such as inadequate packaging or loading or some inherent defect in the equipment and/or material, contractor, on request of HACSB, shall at Contractor's own expense assist HACSB in establishing carrier liability by supplying evidence that the equipment and/or material was properly constructed, manufactured, packaged, and secured to withstand normal transportation conditions.
- 5. DELIVERY: Contractor shall strictly adhere to the delivery and completion schedules specified in the Agreement. Time, if stated as a number of days, shall mean calendar days unless otherwise specified. The quantities specified herein are the only quantities required. If Contractor delivers in excess of the quantities specified herein, HACSB shall not be required to make any payment for the excess goods, and may return them to Contractor, at Contractor's expense, or utilize any other rights available to HACSB at law or in equity.
- SUBSTITUTIONS: Substitution of goods may not be tendered, without advance written consent of HACSB.
 Contractor shall not use any specification in lieu of those contained in the Agreement, without written consent of HACSB.

7. INSPECTION, ACCEPTANCE AND REJECTION:

- a. Contractor and its subcontractors will provide and maintain a quality assurance system acceptable to HACSB covering goods and services under this Agreement and will tender to HACSB only those goods that have been inspected and found to conform to the requirements of this Agreement. Contractor will keep records evidencing inspections and their result and will make these records available to HACSB during performance of the Work and for three years after final payment. Contractor shall permit HACSB to review procedures, practices, processes and related documents to determine the acceptability of Contractor's quality assurance system or other business practices related to performance of the Work.
- All goods may be subject to inspection and test by HACSB or its authorized representatives.
- c. Contractor and its subcontractors shall provide all reasonable facilities for the safety and convenience of inspectors at no additional cost to HACSB. Contractor shall furnish to inspectors all information and data as may be reasonably required to perform their inspection.
- d. All goods to be delivered hereunder may be subject to final inspection, test and acceptance by HACSB at destination, notwithstanding any payment or inspection at source.
- e. HACSB shall give written notice of rejection of goods delivered or services performed hereunder within a reasonable time after receipt of such goods or performance of such services. Such notice of rejection will state the respects in which the goods do not substantially conform to their specifications. If HACSB does not provide such notice of rejection within thirty (30) days, unless otherwise specified in the Statement of Work, of delivery, such goods and services will be deemed to have been accepted. Acceptance by HACSB will be final and irreversible, except as it relates to latent defects, fraud, and gross mistakes amounting to fraud. Acceptance shall not be construed to waive any warranty rights that HACSB might have at law or by express reservation in this Agreement with respect to any nonconformity.

8. SAMPLES:

- a. Samples of items may be required by HACSB for inspection and specification testing and must be furnished free of expense to HACSB. The samples furnished must be identical in all respects to the products bid and/or specified in the Agreement.
- Samples, if not destroyed by tests, may, upon request made at the time the sample is furnished, be returned at Contractor's expense.
- 9. SAFETY AND ACCIDENT PREVENTION: In performing the Work under this Agreement on HACSB premises, Contractor shall conform to any specific safety requirements contained in the Agreement or as required by law or regulation. Contractor shall take any additional precautions as HACSB may reasonably require for safety and accident prevention purposes. Any violation of such rules and requirements, unless promptly corrected, shall be grounds for termination of this Agreement in accordance with the default provisions hereof.
- 10. ACCIDENT PREVENTION: Precaution shall be exercised at all times for the protection of persons (including employees) and property. The safety provisions of applicable laws, building and construction codes shall be observed. Machinery, equipment, and other hazards shall be guarded or eliminated in accordance with the safety provisions issued by the Industrial Accident Commission of the State of California.
- 11. INSURANCE: Contractor shall not commence Work under this Agreement until all insurance required under this paragraph has been obtained and such insurance has been approved by HACSB, nor shall Contractor allow any subcontractor to commence work on a subcontract until all similar insurance required of the subcontractor has been so obtained and approved. Contractor shall furnish HACSB with satisfactory proof of the carriage of insurance required, and there shall be a specific contractual liability endorsement extending Contractor's coverage to include the contractual liability assumed by Contractor pursuant to this Agreement. Contractor shall provide thirty (30) days' notice in writing to HACSB of any cancellation of the policy. All insurance required hereunder shall be issued by a California admitted insurance carrier.

The insurance required to be carried by Contractor hereunder shall include:

a. Compensation Insurance and Employer's Liability Insurance. Contractor shall take out and maintain during the entire term of this Agreement, Workers' Compensation Insurance and Employer's Liability Insurance for all of employees employed at the site of the project and, in case any work is sublet, Contractor shall require the subcontractor similarly to provide Workers' Compensation Insurance and Employer's Liability Insurance for all of the latter's employees unless such employees are covered by the protection afforded by Contractor.

In signing this Agreement, Contractor makes the following certification, required by Section 1861 of the Labor Code:

"I am aware of the provision of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."

b. Commercial General Liability Insurance. Contractor, at its own cost and expense, shall maintain Commercial General Liability insurance for the entire term of this Agreement in the amount of One Million and No/100 Dollars (\$1,000,000.00) per occurrence. Such coverage shall include, but shall not be limited to, protection against claims arising from, and damage to property resulting from, activities contemplated under this Agreement. Such insurance shall be with insurers and under forms of policies satisfactory in all respects to HACSB and shall provide that notice must be given to HACSB at least thirty (30) days prior to cancellation or material change.

Policy shall cover on an "occurrence" basis.

HACSB is to be included as an additional insured on any contracts of insurance under this paragraph b. Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under Subdivision (b) of Section 2782 of the Civil Code. The policies of insurance shall be considered primary insurance before any policies of insurance maintained by HACSB. HACSB shall be included as an additional insured with respect to such general liability insurance policy.

- c. Automobile Liability. Contractor, at its own cost and expense, shall maintain automobile insurance for the period covered by the Contract in the amount of One Million and No/100 Dollars (\$1,000,000.00) combined single limit coverage. Contractor shall be included as an additional insured with respect to such automobile liability insurance policy.
- Errors and Omissions Liability: \$1,000,000; combined single limit bodily and property damage liability per claims made and \$3,000,000 aggregate OR;
- e. Professional Liability: \$1,000,000; per claims made and aggregate.
- f. Worker's Compensation. A state approved Workers Compensation and Employers Liability Insurance policy providing benefits as required by law with employer's liability limits no less than One Million and No/100 Dollars (\$1,000,000) per accident or disease, which covers all employees of the Contractor and each and every contractor.
- **12. FORCE MAJEURE:** Contractor shall be excused for performing the Work hereunder in the event that Contractor is unable to perform the Work for one of the following reasons:
 - Acts of God or of the public enemy, and
 - Acts of the federal, state or local government in either its sovereign or contractual capacity.

Such delay shall be for the period of time that Contractor is delayed from performing the Work as a direct result of one of the foregoing reasons. Contractor shall provide HACSB notice within three (3) days of any such force majeure event.

13. CONTRACTOR'S LIABILITY FOR INJURY TO PERSONS OR DAMAGE TO PROPERTY:

- a. Contractor shall be liable for damages arising out of injury to the person and/or damage to the property of HACSB, employees of HACSB, persons designated by HACSB for training, or any other person(s) other than agents or employees of Contractor, designated by HACSB for any purpose, prior to, during, or subsequent to delivery, installation, acceptance, and use of the goods either at Contractor's site or at HACSB's place of business, provided that the injury or damage was caused by the fault or negligence of Contractor.
- b. Contractor shall not be liable for damages arising out of or caused by an alteration or an attachment not made or installed by Contractor, or for damage to alterations or attachments that may result from the normal operation and maintenance of the goods provided by Contractor during the Agreement.
- 14. INVOICES: Unless otherwise specified, invoices shall be sent to the address set forth herein. Invoices shall be submitted in triplicate and shall include the contract number; release order number (if applicable); item

- number; unit price, extended item price and invoice total amount. The State of California ad other sales tax and/or use tax shall be itemized separately and added to each invoice as applicable.
- 15. REQUIRED PAYMENT DATE: Payment will be made in accordance with the provisions of the Agreement for work completed through the date of invoice. HACSB will pay properly submitted, undisputed invoices not more than thirty (30) days after (i) the date of acceptance of goods or performance of services; or (ii) receipt of an undisputed invoice, whichever is later.
- **16. TAXES:** HACSB will only pay for any state or local sales or use taxes on the services rendered or goods supplied to HACSB pursuant to this Agreement.
- 17. **NEWLY MANUFACTURED GOODS:** All goods furnished under this contract shall be newly manufactured goods; used or reconditioned goods are prohibited, unless otherwise specified.
- **18. NEWS RELEASES:** Unless otherwise exempted, news releases pertaining to this Agreement shall not be made without prior written approval of HACSB.
- 19. PATENT, COPYRIGHT and TRADE SECRET INDEMNITY:
 - a. Contractor shall hold HACSB, its officers, agents and employees, harmless from liability of any nature or kind, including costs and expenses, for infringement or use of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used in connection with the Agreement.
 - b. Contractor may be required to furnish a bond to HACSB against any and all loss, damage, costs, expenses, claims and liability for patent, copyright and trade secret infringement.
 - c. Contractor, at its own expense, shall defend any action brought against HACSB to the extent that such action is based upon a claim that the goods or software supplied by Contractor or the operation of such goods pursuant to a current version of Contractor supplied operating software infringes a United States patent or copyright or violates a trade secret. Contractor shall pay those costs and damages finally awarded against HACSB in any such action. Such defense and payment shall be conditioned on the following:
 - That Contractor shall be notified within a reasonable time in writing by HACSB of any notice of such claim; and,
 - ii. That Contractor shall have the sole control of the defense of any action on such claim and all negotiations for its settlement or compromise, provided, however, that when principles of government or public law are involved, HACSB shall have the option to participate in such action at its own expense.
 - d. Should the goods or software, or the operation thereof, become, or in Contractor's opinion are likely to become, the subject of a claim of infringement of a United States patent or copyright or a trade secret, HACSB shall permit Contractor at its option and expense either to procure for HACSB the right to continue using the goods or software, or to replace or modify the same so that they become non-infringing. If none of these options can reasonably be taken, or if the use of such goods or software by HACSB shall be prevented by injunction, Contractor agrees to take back such goods or software and make every reasonable effort to assist HACSB in procuring substitute goods or software. If, in the sole opinion of HACSB, the return of such infringing goods or software makes the retention of other goods or software acquired from Contractor under this Agreement impractical, HACSB shall then have the option of terminating such Agreement, or applicable portions thereof, without penalty or termination charge. Contractor agrees to take back such goods or software and refund any sums HACSB has paid Contractor.
 - e. Contractor shall have no liability to HACSB under any provision of this clause with respect to any claim of patent, copyright or trade secret infringement which is based upon:
 - The combination or utilization of goods furnished hereunder with equipment or devices not made or furnished by Contractor; or,
 - The operation of equipment furnished by Contractor under the control of any operating software other than, or in addition to, the current version of Contractor-supplied operating software: or
 - iii. The modification by HACSB of the equipment furnished hereunder or of the software; or
 - The combination or utilization of software furnished hereunder with non-Contractor supplied software.

- f. Contractor certifies that it has appropriate systems and controls in place to ensure that HACSB funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws,
- g. The foregoing states the entire liability of Contractor to HACSB with respect to infringement of patents, copyrights or trade secrets.

20. STOP WORK:

- a. HACSB may, at any time, by written Stop Work order ("Stop Work Order") to Contractor, require Contractor to stop all, or any part, of the Work called for by this Agreement for a period up to ninety (90) days after the Stop Work Order is delivered to Contractor, and for any further period to which the parties may agree. The Stop Work Order shall be specifically identified as such and shall indicate it is issued under this clause. Upon receipt of the Stop Work Order, Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the Stop Work Order during the period of work stoppage. Within a period of ninety (90) days after a Stop Work Order is delivered to Contractor, or within any extension of that period to which the parties shall have agreed, HACSB shall either:
 - i. Cancel the Stop Work Order; or
 - Terminate the Work covered by the Stop Work Order as provided for in the termination for default or the voluntary termination provision of this Agreement.
 - iii. If a Stop Work Order issued under this clause is canceled or the period of the Stop Work Order or any extension thereof expires, Contractor shall resume work. HACSB shall make an equitable adjustment in the delivery schedule, the price, or both, and the Agreement shall be modified, in writing, accordingly, if:
 - The Stop Work Order results in an increase in the time required for, or in Contractor's cost properly allocable to the performance of any part of this Agreement; and
 - Contractor asserts its right to an equitable adjustment within thirty (30) days after the end of the period of work stoppage; provided that if HACSB decides the facts justify the action, HACSB may receive and act upon a proposal submitted at any time before final payment under this Agreement.
- b. If a Stop Work Order is not canceled and the Work covered by the Stop Work Order is terminated in accordance with the provision entitled Voluntary Termination, HACSB shall allow reasonable costs resulting from the Stop Work Order in arriving at the termination settlement.
- HACSB shall not be liable to Contractor for loss of profits because of a Stop Work Order issued under this clause.
- 21. COVENANT AGAINST GRATUITIES: Contractor warrants that it complies with the Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR Part 3), and that no gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by Contractor, or any agent or representative of Contractor, to any officer or employee of HACSB with a view toward securing the Agreement or securing favorable treatment with respect to any determinations concerning the performance of the Agreement. For breach or violation of this warranty, HACSB shall have the right to terminate the Agreement, either in whole or in part, and any loss or damage sustained by HACSB in procuring on the open market any items which Contractor agreed to supply shall be borne and paid for by Contractor. The rights and remedies of HACSB provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or in equity.
- 22. COMPLIANCE WITH DAVIS-BACON ACT: For construction agreements in excess of \$2,000, Contractor certifies that it complies with the Davis-Bacon Act (40 U.S.C. 276a to 276a-7) as supplemented by Department of Labor regulations (29 CFR Part 3). Unless otherwise indicated in the Statement of Work, Contractors of HACSB are required, pursuant to 24 CFR 85.36(h)(5), to pay Davis-Bacon wage rates for all "construction contracts and related subcontracts in excess of \$2000," which means, for such jobs, the wage rates paid must be equal to or exceed the listed applicable Davis-Bacon wage rate. Compliance with this clause also means that Contractor may be subject to completing certain reports and to audits by HACSB and the Department of Housing and Urban Development. Such reports and information relating to compliance can be obtained at the Internet website: http://www.gpo.gov/davisbacon/. Contractor shall include the wage provisions of this clause in all subcontracts to perform work under this Agreement.

HACSB shall have the right to audit Contractor, at any time, in order to ensure compliance with the requirements of this Section. In connection therewith, Contractor agrees to maintain accurate books and

records in connection with the Work, and all payments made or received by Contractor pursuant to this Agreement, and to provide such information to HACSB, within five (5) business days of any request by HACSB. In addition, Contractor shall provide, upon two (2) business days request, information to HACSB of each and every employee retained by Contractor in connection with the Work, and shall permit HACSB to interview any such employees, contractors or subcontractors. Contractor agrees that all maintenance laborers and mechanics employed by it in connection with the performance of the Work shall be paid unconditionally and not less often than semi-monthly, and without subsequent deduction (except as otherwise provided by law or regulations), the full amount of wages due at time of payment computed at rates not less then those contained in the wage determination of the Secretary of Housing and Urban Development. Such laborers and mechanics shall be paid the appropriate wage rate on the wage determination for the classification of work actually performed, without regard to skill. Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein; provided, that Contractor's payroll records accurately set forth the time spent in each classification in which the work is performed. The wage determination, including any additional classifications and wage rates approved by HUD shall be posted at all times by Contractor and its subcontractors at the site of the Work in a prominent and accessible place where it can be easily seen by the workers.

- 23. CALIFORNIA PREVAILING WAGE (IF AGREEMENT PRICE IS LESS THAN \$2,000): In the event the Agreement Price is less than \$2,000, Contractor agrees to comply with all prevailing rate requirements of the California Labor Code. HACSB shall have the right to audit and inspect Contractor's books and records, and interview Contractor's employees, contractors and subcontractors, all according to the same provisions set forth in Section 26 above.
- 24. EQUAL EMPLOYMENT OPPORTUNITY: For all construction agreements in excess of \$10,000, Contractor certifies its compliance with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR Chapter 60).

25. NONDISCRIMINATION CLAUSE:

- a. During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, sexual orientation, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), medical condition (cancer), age, marital status, and denial of family care leave. Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12990 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. Contractor 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.
- Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.
- 26. NATIONAL LABOR RELATIONS BOARD CERTIFICATION: Contractor swears under penalty of perjury that no more than one final, unappealable finding of contempt of court by a federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of the National Labor Relations Board. This provision is required by, and shall be construed in accordance with, Public Contract Code Section 10296.
- 27. DRUG-FREE WORKPLACE CERTIFICATION: Contractor certifies under penalty of perjury under the laws of the State of California that Contractor 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, as required by Government Code Section 8355(a).

- b. Establish a Drug-Free Awareness Program as required by Government Code Section 8355(b) to inform employees about all of the following:
 - i. the dangers of drug abuse in the workplace;
 - ii. the person's or organization's policy of maintaining a drug-free workplace;
 - iii. any available counseling, rehabilitation and employee assistance programs; and,
 - penalties that may be imposed upon employees for drug abuse violations.
- c. Provide, as required by Government Code Section 8355(c), that every employee who works on the proposed or resulting agreement:
 - i. will receive a copy of the company's drug-free policy statement; and,
 - ii. will agree to abide by the terms of the company's statement as a condition of employment on the agreement.
- 28. RECYCLING: Contractor shall certify in writing under penalty of perjury, compliance with Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to HACSB regardless of whether the product meets the requirements of Section 12209.
- 29. COMPLIANCE WITH CONTRACT WORK HOURS AND SAFETY STANDARDS ACT: For agreements in excess of \$2,000, and in excess of \$2500 for other agreements which involve the employment of mechanics or laborers, Contractor certifies that it complies with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations (29 CFR Part 5).
- 30. CHILD SUPPORT COMPLIANCE ACT: For any contract in excess of \$100,000, Contractor acknowledges in accordance with Public Contract Code Section 7110, that:
 - a. Contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable State of California and Federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with Section 5200) of Part 5 of Division 9 of the Family Code; and
 - b. Contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.
- 31. ELECTRONIC WASTE RECYCLING ACT OF 2003: Contractor certifies that it complies with the requirements of the Electronic Waste Recycling Act of 2003, Chapter 8.5, Part 3 of Division 30, commencing with Section 42460 of the Public Resources Code, relating to hazardous and solid waste. Contractor shall maintain documentation and provide reasonable access to its records and documents that evidence compliance.
- 32. ENVIRONMENTAL REGULATIONS: For agreements in excess of \$100,000, Contractor certifies that it complies with the requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (3 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 C.F.R. part 15).
- 33. USE TAX COLLECTION: In accordance with PCC Section 10295.1, Contractor certifies that it complies with the requirements of Section 7101 of the Revenue and Taxation Code. Contractor further certifies that it will immediately advise HACSB of any change in its retailer's seller's permit or certification of registration or applicable affiliate's seller's permit or certificate of registration as described in subdivision (a) of PCC Section 10295.1.
- 34. DOMESTIC PARTNERS: For agreements over \$100,000 executed or amended after January 1, 2007, Contractor certifies that Contractor is in compliance with Public Contract Code Section 10295.3.

Exhibit D Work Authorization

Schedule Dates:

Start Date:

August 12, 2020

Completion Date:

August 11, 2023

Total Contract Cost:

\$291,790.00 for the three base contract years per Fee Schedule Located in Exhibit A.

Schedule Requirements - Statement of Work ("Exhibit A")

Engagement Letters - ("Exhibit A-1")

General Conditions for Non-construction work - HUD Form 5370C ("Exhibit B")

Additional General Provisions - ("Exhibit C")

Work Authorization - ("Exhibit D")

REPORT/RECOMMENDATION TO THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO AND RECORD OF ACTION

February 18, 2025

FROM

MARIA RAZO, Executive Director, Housing Authority of the County of San Bernardino

SUBJECT

Contract amendment with Intergraded Security Management Group for Armed Guard Services

RECOMMENDATION(S)

- 1. Approve Amendment No. 9 to contract No. PC1203, effective March 1, 2025, with Intergraded Security Management Group for Armed Guard Services increasing the current contract by \$130,325 for a total amount not to exceed \$708,861 through February 28, 2026.
- 2. Authorize and direct the Executive Director to execute and deliver the contract amendment to Intergraded Security Management Group and, upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction.

(Presenter: Maria Razo, Executive Director, 332-6305)

STRATEGIC PLAN ALIGNMENT:

Aspirational Statement #2: To be known as a trusted provider of safe, dignified, and desirable homes and environments that enrich and add value to the community.

FINANCIAL IMPACT

Approval of this amendment will increase the current contract amount by \$130,325 for a total contract amount not to exceed \$708,861, which is funded by the Housing Authority of the County of San Bernardino's (HACSB) property operations budget.

BACKGROUND INFORMATION

HACSB currently contracts with Intergraded Security Management Group (ISMG) for armed security guard services at some of its properties. These services are generally needed at low density and high acreage scattered sites, primarily for the overnight and weekend hours. Security services primarily include routine patrols with a marked patrol vehicle and armed guards who patrol by foot at random and rotating times of the day and night. The services provided are crime prevention and reporting, lease enforcement, vacant unit checks and general site monitoring. These services have been in place for several years and the approval of this item will continue the existing scope of services.

On February 9, 2021, HACSB's Board of Commissioners (Board) awarded contract PC1203 with ISMG for Armed Guard Services for an initial contract amount of \$327,551 with a two-year base period through February 28, 2023, with three single-year options to extend through February 28, 2026.

On February 13, 2024, the Board approved the most recent amendment, Amendment No. 8 with ISMG, increasing the contract amount by \$105,000 for an overall contract amount of \$578,536 through February 28, 2025.

Contract with Intergraded Security Management Group for Armed Guard Services February 18, 2025

PROCUREMENT

The Procurement and Contracts Department previously advertised a "Request for Proposal" (RFP) for Armed Guard Services (RFP PC1203) on November 17, 2020. This resulted in the receipt of ten proposals. Outreach efforts included email invitations via Planet Bids, our eBidding website to eleven vendors as well as posting on the agency's external website. The proposals were evaluated per the requirements of the RFP. ISMG was deemed the most responsive, reasonably priced, and determined qualified to provide this service to HACSB.

Based on the responses for these services that were solicited to an adequate number of sources and in accordance with Title 2 Code of Federal Regulations Part 200, staff recommended awarding a contract for Armed Guard Services to ISMG and to authorize and direct the Executive Director to execute and deliver the contract and, upon consultation with Legal Counsel, to approve any non-substantive revisions to complete the transaction.

REVIEW BY OTHERS

This item has been reviewed by our General Legal Counsel, Fred Galante, On January 30, 2025.



AMENDMENT #9 TO CONTRACT FOR ARMED GUARD SERVICES (PC1203)

BETWEEN

THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO

and

INTERGRADED SECURITY MANAGEMENT GROUP (ISMG)

This Amendment No. 9 ("Ninth Amendment"), dated March 1, 2025 ("Effective Date"), to Agreement for Armed Guard Services (PC1203), is entered into by and between the Housing Authority of the County of San Bernardino, a California public body, ("Authority") and Intergraded Security Management Group (ISMG), a California Non-Profit Organization ("Contractor").

RECITALS

WHEREAS, the Authority and Contractor entered into that certain Consulting, Services, and Non-Routine Maintenance Related Services Agreement (Non-Construction), dated March 1, 2021, relating to Armed Guard Services ("Agreement") with a total price of \$327,551.00;

WHEREAS, the Authority and Contractor entered into Amendment Number One to the Agreement, dated April 23, 2021, to delete the property at 1470 E. Lynwood San Bernardino, CA 92404 from the scope of work;

WHEREAS, the Authority and Contractor entered into Amendment Number Two to the Agreement, dated May 21, 2021, to temporarily change service locations due to safety issue of onsite manager;

WHEREAS, the Authority and Contractor entered into Amendment Number Three to the Agreement to delete the property of Waterman Gardens (Arrowhead Grove site) at 425 Crestview San Bernardino, CA 92410 – vacant lots, maintenance yard in the North East corner of the Arrowhead Grove site, the two legacy HACSB buildings located at Crestview, and the Head Start buildings only. Other areas per the Agreement remained in the scope of work;

- WHEREAS, the Authority and Contractor entered into Amendment Number Four to the Agreement to delete the property of Andalusia Apartments at 13520 Third Ave. Victorville, CA 92395. Other areas per the Agreement remained in the scope of work;
- **WHEREAS**, the Authority and Contractor entered into Amendment Number Five to the Agreement to exercise the first option year through February 29, 2024 and increase the compensation payable to Contractor by \$115,005.00 for a total amount not to exceed \$444,256.00;
- **WHEREAS**, the Authority and Contractor entered into Amendment Number Six to the Agreement to delete the scattered sites property at 4181 N. E Street (6 units) in San Bernardino, CA 92407;
- **WHEREAS**, the Authority and Contractor entered into Amendment Number Seven to the Agreement to add additional security patrols for the Maplewood property of 64 hours per week from 6/30/2023 9/3/2023 10 weekends at \$2,928.00 per week (\$45.75 per hour);
- **WHEREAS**, the Authority and Contractor entered into Amendment Number Eight to exercise the second option year through February 28, 2025 and increase the compensation payable to Contractor by \$105,000.00 for a total amount not to exceed \$578,536.00; and
- **WHEREAS**, the Authority and Contractor now wish to enter into this Ninth Amendment to exercise the third option year through February 28, 2026 and increase the compensation payable to Contractor by \$130,325.00 for a total amount not to exceed \$708,861.00.

OPERATIVE PROVISIONS

- **NOW, THEREFORE**, the foregoing Recitals being true and correct, and in consideration of the mutual covenants and obligations contained in this Ninth Amendment by the parties and other consideration, the sufficiency of which is hereby expressly acknowledged, the Parties hereto agree as follows:
- **Section 1**. Article 3 of the Agreement is hereby amended to exercise the third option year and extend the term for an additional one (1) year and expiring on February 28, 2026. Except as so amended, the other provisions of Article 3 shall remain unmodified and in full force and effect.
- <u>Section 2.</u> Article 4 of the Agreement, entitled "Price" is hereby amended to increase the compensation payable to Contractor for the provision of the Work for the total not-to-exceed sum as shown in the Total Agreement Cost set forth on Exhibit "A-1. Except as so amended, the other provisions of Article 4 shall remain unmodified and in full force and effect.

<u>Section 3</u>. Continuing Effect of Agreement. Except as amended by this Ninth Agreement, all provisions of the Agreement, as amended, shall remain unchanged and in full force and effect. From and after the date of this Ninth Amendment, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement, as amended by this Ninth Amendment.

<u>Section 4</u>. Affirmation of Agreement; Warranty Re Absence of Defaults. Authority and Consultant each ratify and reaffirm each one of the respective rights and obligations arising under the Agreement, as amended. Each party represents and warrants to the other that there have been no written or oral modifications to the Agreement other than by way of this Ninth Amendment as provided herein. Each party represents and warrants to the other that the Agreement, as amended by this Ninth Amendment, is currently an effective, valid, and binding obligation.

Consultant represents and warrants to Authority that, as of the date of this Ninth Amendment, Authority is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

Authority represents and warrants to consultant that, as of the date of this Ninth Amendment, Consultant is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

<u>Section 5</u>. Adequate Consideration. The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Ninth Amendment.

<u>Section 6</u>. Authorization. The persons executing this Ninth Amendment on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Ninth Amendment, such party is formally bound to the provisions of this Ninth Amendment, and (iv) the entering into this Ninth Amendment does not violate any provision of any other agreement to which said party is bound.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Housing Authority of the County of San Bernardino and Intergraded Security Management Group (ISMG) hereby execute this Ninth amendment.

INTERGRADED SECURITY MANAGEMENT GROUP (ISMG)	HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO
By:	By:
Name:	Name: Maria Razo
Title:	Title: <u>Executive Director</u>
Date:	Date:

Exhibit A-1

Schedule Dates:

Effective Date: March 1, 2025

Completion Date: February 28, 2026

Total Agreement Cost: Not to exceed \$708,861.00

Original Agreement Amount Not to Exceed	\$327,551.00
Net Change Order – Previously Approved	\$0.00
Net Change Order – Previously Approved – Amendment #1	\$0.00
Net Change Order – Previously Approved – Amendment #2	\$1,700.00
Net Change Order – Previously Approved – Amendment #3	\$0.00
Net Change Order – Previously Approved – Amendment #4	\$0.00
Net Change Order – Previously Approved – Amendment #5	\$115,005.00
Net Change Order – Previously Approved – Amendment #6	\$0.00
Net Change Order – Previously Approved – Amendment #7	\$29,280.00
Net Change Order – Previously Approved – Amendment #8	\$105,000.00
Net Change Order – Amendment #9	\$130,325.00
Agreement Value as Amended Not to Exceed	\$708,861.00

THIS CONSULTING, SERVICES, AND NON-ROUTINE MAINTENANCE RELATED SERVICES AGREEMENT (NON-CONSTRUCTION) ("Agreement") (PC1203) is made as of the 1st day of March, 2021 ("Effective Date") by and between Intergraded Security Management Group (ISMG) ("Contractor"), a California Corporation (if applicable) and the Housing Authority of the County of San Bernardino, a California public entity ("HACSB").

RECITALS

WHEREAS, HACSB is a public entity in San Bernardino County, State of California, committed to provide affordable and safe public housing for low- and moderate-income families; and

WHEREAS, Contractor has offered to provide certain services to HACSB, and HACSB wishes to retain Contractor for the provision of such services.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the foregoing Recitals, which Recitals are incorporated herein by this reference, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and for the mutual covenants contained herein, Contractor and HACSB hereby agree as follows:

ARTICLE 1. Statement of Work. Contractor shall furnish all labor, materials, tools, equipment, and supervision to perform all work required in the Statement of Work set forth on Exhibit "A", attached hereto and incorporated herein by reference ("Work"). In connection with its performance of the Work, Contractor shall comply with all of the Contract Documents (as hereinafter defined).

ARTICLE 2. Contract Documents. This Agreement incorporates by reference all of the following documents ("Contract Documents"):

- General Conditions for Non-Construction Contracts Section I (with or without Maintenance Work) (Form HUD 5370), attached hereto as Exhibit "B" and incorporated herein by reference.
- Additional General Provisions attached hereto as Exhibit "C" and incorporated herein by reference ("Additional Provisions").
 - Work Authorization, attached hereto as Exhibit "D" and incorporated herein by reference.
- 3. All applicable Federal, State, and Local laws, ordinances and regulations related to this Agreement shall be incorporated herein by reference. This Agreement is funded by the U. S. Department of Housing and Urban Development and is subject to all regulations and requirements for agreements funded by HUD. Federal Regulations may be found at http://www.gpoaccess.gov. State of California regulations may be found at http://www.leginfo.ca.gov. For laws the County of San Bernardino, go to http://www.sblawlibrary.org.

ARTICLE 3. Term; Time of Completion. Contractor shall commence work under this agreement for a Two (2) year base period with the option to extend up to an additional three (3) single-year year terms beginning on or about March 1, 2021 and expiring on February 28, 2023 unless for any reason funds which have been appropriated for the provision of these services are no longer available, or until such time as terminated per the terms of the agreement in accordance with contract provisions in Article 19 Contractor shall not commence work prior to the date of issuance by HACSB of a work authorization in the form set forth on Exhibit "D", attached hereto and incorporated herein by reference ("Work Authorization"). HACSB shall have the option to extend the engagement for up to an additional two (2) year term. The optional years shall be exercised by written amendments executed by each party with board approval for additional funding on option years if needed. Option years will begin on or about March 1, 2023 and expire no later than February 28, 2026. Following issuance of a Work Authorization, Contractor shall timely

complete the Work in accordance with the schedule requirements specified in Exhibit "A", and within the term of this Agreement.

ARTICLE 4. Price. Unless otherwise specified in the Statement of Work, HACSB agrees to pay Contractor a not-to-exceed amount of \$327,551.00 for the provision of work per the fee schedule for the Two (2) base year contract period. Details defined in Exhibit A – Scope of Services – Fee Schedule. Price as set forth herein, is in consideration for and provides full and complete compensation for the Work and the performance by Contractor of all of its obligations hereunder. Terms are defined in the Additional Provisions and includes a guarantee of task completion.

ARTICLE 5. Performance of Work. Contractor shall perform its duties on premises approved by HACSB, during HACSB's regular work days and normal work hours and warrants that it shall perform the Work in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances. Contractor acknowledges that HACSB has the right to review the Work performed by Contractor and may, in its discretion, reject the Work, or any part thereof, as set forth in the Additional Provisions. In the event HACSB rejects any or all of the Work, at HACSB's election: (a) Contractor shall promptly correct any such deficiencies in the Work, or (b) the deficient Work shall be stricken from this Agreement and Contractor shall not be paid for such portion of the Work. Contractor warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Work assigned to them. Finally, Contractor represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Work and that such licenses and approvals shall be maintained throughout the term of this Agreement. Any employee of Contractor or its subcontractors who is determined by HACSB to be uncooperative, incompetent, a threat to the adequate or timely completion of the Work, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Work in a manner acceptable to HACSB, shall be promptly removed from the Work by the Contractor and shall not be re-employed to perform any of the Work under this Agreement.

ARTICLE 6. HACSB's Right to Stop Work. HACSB has the right to require Contractor to stop or suspend Work pursuant to the "Stop Work" provisions of the Additional Provisions.

ARTICLE 7. No Conflicts. HACSB acknowledges that Contractor has other business and personal interests, separate and apart from the services contemplated by this Agreement, and nothing in this Agreement is intended to preclude Contractor from devoting time and attention to such business and personal interests. HACSB further acknowledges that Contractor has the right to accept other engagements as long as said engagements do not represent a conflict of interest with respect to the Work or the obligations of Contractor to HACSB pursuant to this Agreement. In connection with Contractor's performance of the Work hereunder, Contractor represents that there exists no actual, potential or appearance of conflict arising out of Contractor's business and financial interests.

ARTICLE 8. Limit of Engagement. This Agreement does not and shall not be construed to create any partnership or agency whatsoever. Contractor shall not be deemed to be a partner, joint venture, agent or legal representative of HACSB for any purpose, nor shall Consultant have any authority or power to act for, or to undertake any obligation or responsibility on behalf of, HACSB or corporations affiliated with HACSB, other than as expressly herein provided. HACSB retains Contractor on an independent contractor basis and Contractor is not an employee of HACSB. Any additional personnel performing Work under this Agreement on behalf of Contractor shall not be employees of HACSB and shall at all times be under Contractor's exclusive direction and control.

ARTICLE 9. Responsibilities of HACSB. If information, data, or documentation necessary to facilitate Contractor's performance of the Work is required to be provided by HACSB, HACSB shall provide such information upon request by Contractor. It is Contractor's responsibility to determine if any such information is necessary in order to perform its obligations hereunder and to request such information from HACSB in a sufficient amount of time in order for Contractor to perform the Work hereunder.

ARTICLE 10. Additional Work.

- a. In the event that the parties mutually agree that additional and further work beyond that specified in the Statement of Work ("Additional Work") is required to be performed by Contractor, such Additional Work shall be memorialized in a Work Authorization executed by HACSB and Contractor. The Work Authorization shall include and specifically identify the types of services required to perform as part of the Additional Work, all significant material to be delivered to HACSB, the time schedule for completion of the Additional Work, and the price for such Additional Work.
- b. Nothing herein shall obligate HACSB to utilize Contractor to perform the Additional Work or in any way limit HACSB's rights to utilize third parties to perform or assist in performing the Additional Work. In no event shall Contractor commence performance of the Additional Work until it has received written consent executed by a duly authorized representative of HACSB.
- c. In the event that HACSB provides a Work Authorization for Additional Work, all of the terms and conditions of this Agreement shall apply to the performance of such Additional Work.

ARTICLE 11. Contractor's Obligation to Stop Work. Personnel resources will not be expended (at a cost to HACSB) on task accomplishment in excess of the schedule requirements set forth in "Exhibit A" unless the procedure below is followed:

- a. If, in the performance of the Work, Contractor determines that the Work to be performed under this Agreement cannot be accomplished within the estimated work hours, Contractor will immediately notify HACSB in writing of Contractor's estimate of the work hours which will be required to complete the Work. Upon receipt of such notification, HACSB may:
 - Authorize Contractor to expend the estimated additional work hours or service in excess
 of the original estimate necessary to accomplish the Work Authorization (such an
 authorization not unreasonably to be withheld); or
 - Terminate this Agreement; or
 - iii. Alter the scope of the Work in order to define tasks that can be accomplished within the remaining estimated work hours.
- b. HACSB will notify Contractor in writing of its election within seven (7) calendar days after receipt of Contractor's notification. If notice of the election is given to proceed, Contractor may expend the estimated additional work hours or services, as memorialized in a Work Authorization signed by Contractor and HACSB. In the event that HACSB fails to notify Contractor within such seven (7) calendar day period, Contractor shall provide a second notice to HACSB requesting a determination. Contractor shall not proceed with the Work until such time as HACSB has made an election as to how it wishes to proceed, and a Work Authorization has been approved.

ARTICLE 12. Invoicing and Payment for Services. During the execution of each Milestone (as set forth in the Statement of Work) which involves the delivery to HACSB of identified Deliverables (as defined in the Statement of Work), Contractor may submit periodically to HACSB involces reflecting a pro-rata cost of the Milestones, determined on the basis of the lesser of either:

- The number of Deliverables provided to HACSB divided by the total number of Deliverables required to be delivered to HACSB, less a ten percent (10%) withhold, less any amounts previously invoiced; or
- b. The number of work-hours expended by Contractor in the performance of the Work divided by the number of work hours scheduled for the Work, less a ten percent (10%) withhold, less any amounts

- previously invoiced; provided that the Statement of Work may specify a withhold of more than ten percent (10%).
- c. For those Milestones which do not involve delivery to HACSB of identified Deliverables, but which are of a continuing nature, Contractor may submit invoices reflecting a pro-rata cost of the Milestone, less a ten percent (10%) withhold, less any amount previously invoiced. Actual progress payment amounts for such Milestones must be based on at least equivalent services rendered, and to the extent practicable, will be keyed to clearly identifiable stages of progress as reflected in written reports submitted with the invoices.
- d. Upon completion of a Milestone in accordance with the acceptance criteria set forth herein, the full charge for such Milestone, less amounts previously invoiced to HACSB, may be submitted for payment.
- e. In the event that Additional Work is performed pursuant to a Work Authorization, such Additional Work shall be paid by HACSB according to the same procedure set forth above with respect to the Work, unless a different method for payment is specified in such Work Authorization.
- f. Invoices prepared in accordance with this provision will not be submitted more frequently than monthly to HACSB.
- g. In the aggregate, invoices reflecting progress payments will not exceed ninety percent (90%) of the Agreement Price, with the balance to be invoiced upon completion of the Agreement, in accordance with the acceptance criteria set forth herein.
- h. No charge for transportation, delivery, express, parcel post, packing, cartage, insurance, license fees, permits, cost of bonds, or for any other purpose will be paid by HACSB unless expressly included and itemized in the Statement of Work or Work Authorization.
- i. Payments for all any and all invoices or other obligations are satisfied electronically through the Automated Clearing House (ACH) system. The Contractor hereby authorizes the HACSB to initiate payment electronically to any bank account maintained by the contractor wherever located. Contractor shall promptly comply with directions and accurately complete forms provided by HACSB required to process ACH payments.

ARTICLE 13. Return of HACSB Property. All reports, plans, designs, specifications, field data, construction documents, and other documents and instruments, including electronic files, but excluding Contractor's notes, relating to the Work shall be and remain the property of HACSB and shall be turned over to HACSB promptly upon the completion of the Work, or upon the earlier termination of this Agreement. Contractor hereby waives and assigns to HACSB all intellectual property or common law rights Contractor may develop in the Work. Contractor shall not use any trademarks owned by HACSB without HACSB's prior written authorization.

ARTICLE 14. Confidential Information. HACSB agrees to make available to Contractor information that may be needed to perform the Work. Such information may include information HACSB considers to be confidential. For purposes hereof, "Confidential Information" of HACSB means any nonpublic, proprietary information or technology used in HACSB's business, and any materials evidencing the same (specifically, including, without limitation, technical data or know-how relating to development plans, business plans, services, customers, markets, inventions (whether patentable or not), processes, designs, drawings, research, developments, strategies, marketing and/or financial information). Unless HACSB acknowledges that any such information provided under this Agreement is not Confidential Information, all information provided by HACSB to Contractor shall be considered to be Confidential Information. Unless approved in advance in writing or compelled to make such disclosure by a government agency, by court order, or by law, Contractor shall not disclose, transfer, distribute or allow access to any of HACSB's

Confidential Information to any third parties, except those individuals employed by Contractor and who are specifically authorized by Contractor to perform the Work contemplated in this Agreement.

ARTICLE 15. Indemnity; Hold Harmless. Contractor agrees to defend, save, indemnify and hold harmless HACSB and all its officers, employees, and agents, against any and all liabilities, claims, judgments, or demands, including demands arising from injuries or death of persons (Contractor's employees included) and damage to property, arising directly or indirectly out of the performance of the Work, the obligations herein undertaken or out of the operations conducted by Contractor, save and except claims or litigation to the extent arising through the active negligence or willful misconduct of HACSB. Contractor shall reimburse HACSB for any expenditures, including reasonable attorneys' fees, HACSB may incur arising out of any such claim or litigation, and, if requested by HACSB, Contractor shall defend any such suits at the sole cost and expense of Contractor with counsel selected by HACSB. Contractor shall pay and satisfy any judgment, award or decree that may be rendered against HACSB or its officers, employees, and agents in any such suit, action or other legal proceeding.

ARTICLE 16. Compliance with Contract Documents. Contractor shall comply with all of the Contract Documents in connection with the performance of the Work hereunder. In the event of any conflict between this Agreement and the Contract Documents, the Contract Documents shall control. Contractor shall also comply with all agreements, representations, warranties, covenants, and certifications of Contractor made in connection with the procurement of this Agreement, provided that in the case of a conflict between the foregoing and the Contract Documents and this Agreement, the Contract Documents and this Agreement, the Contract Documents and this Agreement shall control.

ARTICLE 17. Assignment. Neither the Agreement, nor any part thereof, nor moneys due or to become due there under may be assigned by Contractor without the prior written approval of HACSB. This Agreement shall be binding on the successors and assigns of the parties.

ARTICLE 18. Rights and Remedies of HACSB for Default.

In the event any goods furnished or services provided by Contractor in the performance of the Work should fail to conform to the requirements herein, or to the sample submitted by Contractor, HACSB may reject the same, and it shall become the duty of Contractor to reclaim and remove the item promptly or to correct the performance of services, without expense to HACSB, and immediately replace all such rejected items with others conforming to the Agreement.

- a. In addition to any other rights and remedies HACSB may have, HACSB may require Contractor, at Contractor's expense, to ship goods via air freight or expedited routing to avoid or minimize actual or potential delay if the delay is the fault of Contractor.
- b. In the event of the termination of the Agreement, either in whole or in part, by reason of default or breach by Contractor, any loss or damage sustained by HACSB in procuring any items which Contractor agreed to supply shall be borne and paid for by Contractor.
- c. HACSB reserves the right to offset the reasonable cost of all damages caused to HACSB against any outstanding invoices or amounts owed to Contractor or to make a claim against Contractor therefore.

ARTICLE 19. Termination. In addition to the rights of Termination for Convenience of HACSB and Termination for Default set forth in the Contract Documents, HACSB may terminate this Agreement if Contractor should file a bankruptcy petition and/or be adjudged a bankrupt, or if Contractor should make a general assignment for the benefit of creditors, or if a receiver should be appointed on account of insolvency (as referenced in HUD Form 5370-C section 1 page 1). HACSB may serve written notice upon Contractor of its intention to terminate the Agreement. The notice shall contain the reasons for such intention to terminate the Agreement, and, unless within ten (10) days after serving such notice, such violation shall cease and satisfactory arrangements for correction

thereof be made, upon the expiration of the ten (10) days, the Agreement shall cease and terminate. In the event of any such termination, HACSB shall serve written notice thereof upon any surety and Contractor, and any such surety shall have the right to take over and perform Contractor's obligations pursuant to this Agreement; provided, however, that if such surety does not provide HACSB written notice of its intention to take over and perform the Work required under this Agreement within fifteen (15) days after receiving such written notice, or such surety does not commence performance thereof within thirty (30) days after providing such written notice to HACSB, HACSB shall have the right to perform all uncompleted portions of the Work and to prosecute the same to completion by contract or by any other method it deems advisable, for the account and at the expense of Contractor, and Contractor and its surety shall be liable to HACSB for any excess costs occasioned HACSB thereby and, in such event, HACSB may, without liability for doing so, take possession of and utilize in completing the Work, such materials, appliances, and other property belonging to Contractor as may be on the site of the Work and necessary for the performance of the Work.

ARTICLE 20. No Waiver. No waiver by the parties hereto of any default or breach of any term, condition or covenant of this Agreement shall be deemed to be a waiver of any subsequent default or breach of the same or any other term, condition or covenant contained herein.

ARTICLE 21. Modification. This written Agreement may not be later modified except by a further writing signed by HACSB and Contractor and no term of this Agreement may be waived, except by writing signed by the party waiving the benefit of such term. No oral understanding or agreement not incorporated in this Agreement is binding on any of the parties.

ARTICLE 22. Notices. All notices required pursuant to this Agreement shall be communicated in writing, and shall be delivered in person, by commercial courier providing proof of delivery, or by certified mail, return receipt requested. All notices sent pursuant to this Agreement shall be addressed as follows:

If to HACSB:

Angie Lardapide, Procurement and Contracts Supervisor Housing Authority of the County of San Bernardino 715 E. Brier Drive San Bernardino, CA 92408-2841 alardapide@hacsb.com

If to Contractor:

Emilio Olguin, Vice President Intergraded Security Management Group (ISMG) 10201 Trademark Street, Suite C Rancho Cucamonga, CA 91730 Emilio@ismg.co

Notices will be deemed effective upon receipt or rejection only.

ARTICLE 23. Complete Agreement. This written Agreement is the final, complete and exclusive statement and expression of the agreement between HACSB and Contractor and of all the terms of this Agreement and cannot be varied, contradicted, nor supplemented by evidence of any prior or contemporaneous oral or written agreements.

ARTICLE 24. Applicable Law/Venue. This Agreement shall be construed and interpreted in accordance with the internal laws of the State of California, with proper venue for any litigation in San Bernardino County, California.

ARTICLE 25. Severability; Headings. If any portion of this Agreement is held invalid or inoperative, the other portions of this Agreement shall be deemed valid and operative and so far, as is reasonable and possible, effect shall be given to the intent manifested by the portion held invalid or inoperative. The section headings herein are for reference purposes only and are not intended in any way to describe, interpret, define or limit the extent or intent of this Agreement or of any part hereof.

ARTICLE 26. Interpretation. Should any provision of this Agreement require interpretation, it is agreed that the person or persons interpreting or construing the same shall not apply a presumption that the terms of this Agreement shall be more strictly construed against one party by reason of the rule of construction that a document is to be construed more strictly against the party who itself or through its agent or counsel prepared the same or caused the same to be prepared; it being agreed that the agents and counsel of all of the parties have participated equally in

the negotiation and preparation of this Agreement. The language in all parts of this Agreement shall be in all cases construed simply, fairly, equitably and reasonably, according to its plain meaning and not strictly for or against any of the parties.

ARTICLE 27. Counterparts. This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same Agreement. The parties shall be entitled to sign and transmit an electronic signature of this Agreement (whether by facsimile, PDF or other email transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Agreement upon request.

ARTICLE 28. Eight-Hour Law. Pursuant to the provisions of the California Labor Code, eight hours of labor shall constitute a legal day's work, and the time of service of any worker employed on the work shall be limited and restricted to eight hours during any one calendar day, and forty hours in any one calendar week, except when payment for overtime is made at not less than one and one-half the basic rate for all hours worked in excess of eight hours per day ("Eight-Hour Law"). Contractor shall forfeit to HACSB as a penalty, \$50.00 for each worker employed in the execution of this Agreement by him, or by any subcontractor under him, for each calendar day during which such workman is required or permitted to work more than eight hours in any calendar day and forty hours in any one calendar week without such compensation for overtime violation of the provisions of the California Labor Code, unless Contractor or the Work are not subject to the Eight-Hour Law.

ARTICLE 29. Subcontracting. Contractor shall not subcontract any portion of the Work required by this Agreement, except as expressly stated herein, without prior written approval of HACSB. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

ARTICLE 30. Attorney's Fees. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney's fees and costs of such actions.

ARTICLE 31. <u>Survival</u>. All rights and obligations hereunder that by their nature are to continue after any expiration or termination of this Agreement, including, but not limited to, the indemnification and confidentiality obligations, shall survive any such expiration or termination.

ARTICLE 32. <u>No Third-Party Beneficiaries</u>. Except as expressly stated herein or in the Contract Documents, there are no intended third-party beneficiaries of any right or obligation assumed by the parties.

[END - SIGNATURES ON NEXT PAGE]

SIGNATURE PAGE TO

CONSULTING, SERVICES, AND NON-ROUTINE MAINTENANCE RELATED SERVICES AGREEMENT (NON-CONSTRUCTION)

PC1203 - ARMED GUARD SERVICES

IN WITNESS WHEREOF, HACSB and 0 2/2/2021 Date:	Contractor have entered into this Agreeme	ent as of the Effective
Intergraded Security Management Gre	oup (ISMG)	
By: EMTETO OFGUIN Name:	(Affix seal if a corporation)	
Name: EMIETO OLGUIN	(mix docar in a dorportation)	
lts: xVice President		
CERTIFICATE OF CORPORATE AUTHORITY		
1,	_, certify that I am the	of the
corporation named as Contractor herein; that		who signed this
Agreement on behalf of Contractor, was then	of	said corporation; that said
Contract was duly signed for and in behalf of sa corporate powers.	aid corporation and its governing body an	d is within the scope of its
Ву:		
Name:		
lts:		
Date:		
HOUSING AUTHORITY OF THE COUNTY OF S	SAN BERNARDINO	
By: Mana Ross		
Name: Maria Razo		
Its: Executive Director Date: 2 9 2021		

Exhibit A - Scope of Work

All work is to be performed according to industry standards, according to federal, state, and local legal requirements, and to the satisfaction of HACSB. The Contractor will provide security patrol services with market patrol vehicles, utilizing armed guards.

The repeated failure of any Contractor to provide satisfactory service shall result in termination of Contractor's contract for nonperformance. The HACSB shall document failure to respond, and the Contractor may not be permitted to participate in future contracts for these services.

These services shall include the following:

Contractor shall provide patrol service with a marked patrol vehicle, armed security officers, and provide amounts of visits contracted. Contractor's officers shall provide heavy visibility and patrols (foot patrols are required behind buildings and dark areas where any activity is noticed) of all common areas of Housing Authority properties. For each location identified below, the Contractor will provide a detailed report on the activities and incidents of each serviced day by no later than 10am the following morning.

The coverage for Waterman Gardens is: (see page 9 for service locations)

Routine patrols seven days a week from 5pm-7am Monday-Sunday. Also includes 24-hour call response, seven days a week. All patrol visits shall be on a rotating random basis (including foot patrol). Patrols should not be at the same time on any given evening or day of the week. Each patrol visit should include a foot patrol around the two-standing unit/Head Start/vacant lot and maintenance shop.

The coverage for Maplewood Homes is: (see page 9 for service locations)

Five patrol visits, (including foot patrols) seven nights a week. Also, 24-hour call response seven days a week. All patrol visits shall be on a rotating random basis. Patrols should not be at the same time on any given evening or day of the week. Each patrol visit should include a foot patrol around community buildings and offices.

The coverage for the scattered sites: (see page 9 for service locations)

Four patrol visits, (including foot patrols) seven nights a week. Also, 24-hour call response seven days a week. All patrol visits shall be on a rotating random basis. Patrols should not be at the same time on any given evening or day of the week. Each patrol visit should include a foot patrol of the entire site.

The coverage for Andalusia Apartments is: (see page 9 service locations)

Patrol services shall be performed seven (7) nights per week, three (3) times each night after sunset and before sunup (includes foot patrols). Patrols should not be at the same time on any given evening or day of the week. All patrol visits shall be on a rotating random basis Organizations shall have a 24-hour call response. Each patrol visit should include a foot patrol of the entire site.

Services for the complexes shall at a minimum include:

Communication System

Contractor shall provide daily reports of all patrols and activities for each site within 24 hours of patrol noting condition of properties, any actions taken, etc. Also, in the event of illegal activities, a full report will be made available to property manager within 12 hours of event. Photos are also to be included in reports.

Contractor shall have and maintain a staffed central dispatch station on a 24-hour basis. Guards shall be able to communicate directly with the dispatch station at all times.

Contractor shall provide a toll free or local telephone contact number. Also, must maintain a data base for historical retrieval of information.

Order

Contractor shall provide a plan to combat trespassing, loitering and substance abuse.

Parking Enforcement

Inoperable Vehicles

Contractor shall provide a system to document, photograph, notify vehicle owner/residents, and keep track of problem vehicles and provide and issue citations for inoperable vehicles. Also, will contract with HACSB approved towing service and with approval from HACSB remove previously identified inoperable vehicles or vehicles that are in an unsafe condition and/or parked in red fire lanes according to local codes.

Servicing of Notices

Contractor shall provide, on an as-needed basis the service of notices. Service of notices shall be initiated within a minimum of 24 hours from receipt of request for service and submit copy of proof of service no later than 48 hours from date of service.

Maintenance Requests

Contractor shall, during their patrol, notate in writing any possible maintenance problems within the community to the property manager the following business day during normal business hours. Items to be included in this are broken windows, burned out lights, burned out security lighting, broken gates, etc. Emergency items should be called in to the On-Call Maintenance Person as needed.

Vacant Apartment Inspections

HACSB will provide a list of vacant apartment/units for inspection to the contractor. The contractor shall conduct a **nightly** inspection of the vacant units. Contractor shall look for

instances of vandalism, forced entry or other maintenance related issues and provide documentation to the property manager.

Service Locations

Services are to be provided at the following locations:

Service Sites:

	
Waterman Gardens (Arrowhead Grove site) 425 Crestview San Bernardino, CA 92410 Service Site also includes: Head Start Facility/ 2 standing vacant units/partial vacant lot and Central Maintenance Shop/warehouse at 660 E Orange Street.	Maplewood Homes (299 units) 1738 West 9 th St. San Bernardino, CA 92411 Service Site also includes: Management Office, Community Centers and all other common area buildings within the Maplewood Community (Whitney Young Clinic and Garage)
Andalusia Apartments (168 units) 13520 Third Ave. Victorville, CA 92395 (includes the entire site	

Scattered Sites:

740-756 W. 7 th St. (6 units)	755-765 W. 8 th St. (6 units)
San Bernardino, CA 92410	San Bernardino, CA 92410
4181 N. E Street (24 units)	2165 W. Mill St. (10 units)
San Bernardino, CA 92407	San Bernardino, CA 92410
1470 E. Lynwood (15) San Bernardino, CA 92404	

If additional sites are added at a future date or additional services are needed, a separate cost proposal will be obtained for the additional site or service.

Scope of Services – Fee Schedule:

Location:	Year 21-22	Year 22-23	Option Year 1 23-24	Option Year 2 24-25	Option Year 3 25-26
Waterman Gardens	\$2,750.00	\$2,860.00	\$2,974.40	\$3,093.38	\$3,217.12
Maplewood Homes	\$5,782.76	\$6,014.07	\$6,254.63	\$6,504.81_	\$6,765.60
Andalusia Apartments	\$1,050.00	\$1,092.00	\$1,136.00	\$1,182.00	\$1,230.00
740-756 W. 7th St.	\$655.00	\$681.50	\$709.36	\$737.74	\$767.24
755-765 W. 8th St.	\$655.00	\$681.50	\$709.36	\$737.74	\$767.24
2165 Mill St.	\$655.00	\$681.50	\$709.36	\$737.74	\$767.24
4181 N. E St.	\$1,047.38	\$1,088.77	\$1,133.32	\$1,178.76	\$1,226.91
1470 E. Lynwood	\$785.00	\$816.40	\$849.06	\$883.03	\$918.35
Total Monthly:	\$13,380.14	\$13,915.74	\$14,475.49	\$15,055.20	\$15,659.70

Exhibit B GENERAL CONDITIONS FOR NON-CONSTRUCTION WORK (HUD – 5370-C)

Document on Following Page

General Conditions for Non-Construction Contracts

Section I – (With or without Maintenance Work)

U.S. Department of Housing and Urban Development

Office of Public and Indian Housing
Office of Labor Relations
OMB Approval No. 2577-0157 (exp. 3/31/2020)

Public Reporting Burden for this collection of information is estimated to average 0.08 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Office of Information Policies and Systems, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600; and to the Office of Management and Budget, Paperwork Reduction Project (2577-0157), Washington, D.C. 20503. Do not send this completed form to either of these addressees.

Applicability. This form HUD-5370-C has 2 Sections. These Sections must be inserted into non-construction contracts as described below:

- Non-construction contracts (without maintenance) greater than \$105,000 use Section I;
- Maintenance contracts (including nonroutine maintenance as defined at 24 CFR 968.105) greater than \$2,000 but not more than \$150,000 - use Section II; and
- Maintenance contracts (including nonroutine maintenance), greater than \$150,000 use Sections I and II

Section I - Clauses for All Non-Construction Contracts greater than \$150,000

1. Definitions

The following definitions are applicable to this contract:

- (a) "Authority or Housing Authority (HA)" means the Housing Authority.
- (b) "Contract" means the contract entered into between the Authority and the Contractor. It includes the contract form, the Certifications and Representations, these contract clauses, and the scope of work. It includes all formal changes to any of those documents by addendum, Change Order, or other modification.
- (c) "Contractor" means the person or other entity entering into the contract with the Authority to perform all of the work required under the contract.
- (d) "Day" means calendar days, unless otherwise stated.
- (e) "HUD" means the Secretary of Housing and Urban development, his delegates, successors, and assigns, and the officers and employees of the United States Department of Housing and Urban Development acting for and on behalf of the Secretary.

2. Changes

- (a) The HA may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in the services to be performed or supplies to be delivered.
- (b) If any such change causes an increase or decrease in the hourly rate, the not-to-exceed amount of the contract, or the time required for performance of any part of the work under this contract, whether or not changed by the order, or otherwise affects the conditions of this contract, the HA shall make an equitable adjustment in the not-to-exceed amount, the hourly rate, the delivery schedule, or other affected terms, and shall modify the contract accordingly.
- (c) The Contractor must assert its right to an equitable adjustment under this clause within 30 days from the date of receipt of the written order. However, if the HA decides that the facts justify it, the HA may receive and act upon a

- proposal submitted before final payment of the contract.

 (d) Failure to agree to any adjustment shall be a dispute under clause Disputes, herein. However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.
- (e) No services for which an additional cost or fee will be charged by the Contractor shall be furnished without the prior written consent of the HA.

3. Termination for Convenience and Default

- (a) The HA may terminate this contract in whole, or from time to time in part, for the HA's convenience or the failure of the Contractor to fulfill the contract obligations (default). The HA shall terminate by delivering to the Contractor a written Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Contractor shall: (i) immediately discontinue all services affected (unless the notice directs otherwise); and (ii) deliver to the HA all information, reports, papers, and other materials accumulated or generated in performing this contract, whether completed or in process.
- (b) If the termination is for the convenience of the HA, the HA shall be liable only for payment for services rendered before the effective date of the termination.
- (c) If the termination is due to the failure of the Contractor to fulfill its obligations under the contract (default), the HA may (i) require the Contractor to deliver to it, in the manner and to the extent directed by the HA, any work as described in subparagraph (a)(ii) above, and compensation be determined in accordance with the Changes clause, paragraph 2, above; (ii) take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable for any additional cost incurred by the HA; (iii) withhold any payments to the Contractor, for the purpose of off-set or partial payment, as the case may be, of amounts owed to the HA by the Contractor.
- (d) If, after termination for failure to fulfill contract obligations (default), it is determined that the Contractor had not failed, the termination shall be deemed to have been effected for the convenience of the HA, and the Contractor shall been titled to payment as described in paragraph (b) above.
- (e) Any disputes with regard to this clause are expressly made subject to the terms of clause titled Disputes herein.

4. Examination and Retention of Contractor's Records

(a) The HA, HUD, or Comptroller General of the United States, or any of their duly authorized representatives shall, until 3 years after final payment under this contract, have access to and the right to examine any of the Contractor's directly pertinent books, documents, papers, or other records involving transactions related to this contract for the purpose of making audit, examination, excerpts, and transcriptions.

- (b) The Contractor agrees to include in first-tier subcontracts under this contract a clause substantially the same as paragraph (a) above. "Subcontract," as used in this clause, excludes purchase orders not exceeding \$10,000.
- (c) The periods of access and examination in paragraphs (a) and (b) above for records relating to:
 - (i) appeals under the clause titled Disputes;
 - (ii) litigation or settlement of claims arising from the performance of this contract; or,
 - (iii) costs and expenses of this contract to which the HA, HUD, or Comptroller General or any of their duly authorized representatives has taken exception shall continue until disposition of such appeals, litigation, claims, or exceptions.

5. Rights in Data (Ownership and Proprietary Interest)

The HA shall have exclusive ownership of, all proprietary interest in, and the right to full and exclusive possession of all information, materials and documents discovered or produced by Contractor pursuant to the terms of this Contract, including but not limited to reports, memoranda or letters concerning the research and reporting tasks of this Contract.

6. Energy Efficiency

The contractor shall comply with all mandatory standards and policies relating to energy efficiency which are contained in the energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub.L. 94-163) for the State in which the work under this contract is performed.

7. Disputes

- (a) All disputes arising under or relating to this contract, except for disputes arising under clauses contained in Section III, <u>Labor Standards Provisions</u>, including any claims for damages for the alleged breach there of which are not disposed of by agreement, shall be resolved under this clause.
- (b) All claims by the Contractor shall be made in writing and submitted to the HA. A claim by the HA against the Contractor shall be subject to a written decision by the HA.
- (c) The HA shall, with reasonable promptness, but in no event in no more than 60 days, render a decision concerning any claim hereunder. Unless the Contractor, within 30 days after receipt of the HA's decision, shall notify the HA in writing that it takes exception to such decision, the decision shall be final and conclusive.
- (d) Provided the Contractor has (i) given the notice within the time stated in paragraph (c) above, and (ii) excepted its claim relating to such decision from the final release, and (iii) brought suit against the HA not later than one year after receipt of final payment, or if final payment has not been made, not later than one year after the Contractor has had a reasonable time to respond to a written request by the HA that it submit a final voucher and release, whichever is earlier, then the HA's decision shall not be final or conclusive, but the dispute shall be determined on the merits by a court of competent jurisdiction.
- (e) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the HA.

8. Contract Termination; Debarment

A breach of these Contract clauses may be grounds for termination of the Contract and for debarment or denial of participation in HUD programs as a Contractor and a subcontractor as provided in 24 CFR Part 24.

9. Assignment of Contract

The Contractor shall not assign or transfer any interest in this contract; except that claims for monies due or to become due from the HA under the contract may be assigned to a bank, trust company, or other financial institution. If the Contractor is a partnership, this contract shall inure to the benefit of the surviving or remaining member(s) of such partnership approved by the HA.

10. Certificate and Release

Prior to final payment under this contract, or prior to settlement upon termination of this contract, and as a condition precedent thereto, the Contractor shall execute and deliver to the HA a certificate and release, in a form acceptable to the HA, of all claims against the HA by the Contractor under and by virtue of this contract, other than such claims, if any, as may be specifically excepted by the Contractor in stated amounts set forth therein.

11. Organizational Conflicts of Interest

- (a) The Contractor warrants that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of work under this contract and a contractor's organizational, financial, contractual or other interests are such that:
 - Award of the contract may result in an unfair competitive advantage; or
 - (ii) The Contractor's objectivity in performing the contract work may be impaired.
- (b) The Contractor agrees that if after award it discovers an organizational conflict of interest with respect to this contract or any task/delivery order under the contract, he or she shall make an immediate and full disclosure in writing to the Contracting Officer which shall include a description of the action which the Contractor has taken or intends to take to eliminate or neutralize the conflict. The HA may, however, terminate the contract or task/delivery order for the convenience of the HA if it would be in the best interest of the HA.
- (c) In the event the Contractor was aware of an organizational conflict of interest before the award of this contract and intentionally did not disclose the conflict to the Contracting Officer, the HA may terminate the contract for default.
- (d) The terms of this clause shall be included in all subcontracts and consulting agreements wherein the work to be performed is similar to the service provided by the prime Contractor. The Contractor shall include in such subcontracts and consulting agreements any necessary provisions to eliminate or neutralize conflicts of interest.

12. Inspection and Acceptance

(a) The HA has the right to review, require correction, if necessary, and accept the work products produced by the Contractor. Such review(s) shall be carried out within 30 days so as to not impede the work of the Contractor. Any product of work shall be deemed accepted as submitted if the HA does not issue written comments and/or required corrections within 30 days from the date of receipt of such product from the Contractor.

- (b) The Contractor shall make any required corrections promptly at no additional charge and return a revised copy of the product to the HA within 7 days of notification or a later date if extended by the HA.
- (c) Failure by the Contractor to proceed with reasonable promptness to make necessary corrections shall be a default. If the Contractor's submission of corrected work remains unacceptable, the HA may terminate this contract (or the task order involved) or reduce the contract price or cost to reflect the reduced value of services received.

13. Interest of Members of Congress

No member of or delegate to the Congress of the United States of America or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit to arise there from, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

14. Interest of Members, Officers, or Employees and Former Members, Officers, or Employees

No member, officer, or employee of the HA, no member of the governing body of the locality in which the project is situated, no member of the governing body in which the HA was activated, and no other pubic official of such locality or localities who exercises any functions or responsibilities with respect to the project, shall, during his or her tenure, or for one year thereafter, have any interest, direct or indirect, in this contract or the proceeds thereof.

15. Limitation on Payments to Influence Certain Federal Transactions

(a) Definitions. As used in this clause:

"Agency", as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1).

"Covered Federal Action" means any of the following Federal actions:

- (i) The awarding of any Federal contract;
- (ii) The making of any Federal grant;
- (iii) The making of any Federal loan;
- (iv) The entering into of any cooperative agreement; and,
- (v) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Covered Federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan.

"Indian tribe" and "tribal organization" have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B). Alaskan Natives are included under the definitions of Indian tribes in that Act.

"Influencing or attempting to influence" means making, with the intent to influence, any communication to or appearance before 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 any covered Federal action. "Local government" means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

"Officer or employee of an agency" includes the following individuals who are employed by an agency:

- (i) An individual who is appointed to a position in the Government under title 5, U.S.C., including a position under a temporary appointment;
- (ii) A member of the uniformed services as defined in section 202, title 18, U.S.C.;
- (iii) A special Government employee as defined in section 202, title 18, U.S.C.; and,
- (iv) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, appendix 2.

"Person" means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Recipient" includes all contractors, subcontractors at any tier, and subgrantees at any tier of the recipient of funds received in connection with a Federal contract, grant, loan, or cooperative agreement. The term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Regularly employed means, with respect to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract, grant, loan, or cooperative agreement. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

"State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

(b) Prohibition.

- (i) Section 1352 of title 31, U.S.C. provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay 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 any of the following covered Federal actions: 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.
- (ii) The prohibition does not apply as follows:

- Agency and legislative liaison by Own Employees.
 - (a) The prohibition on the use of appropriated funds, in paragraph (i) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, if the payment is for agency and legislative activities not directly related to a covered Federal
 - (b) For purposes of paragraph (b)(i)(1)(a) of this clause, providing any information specifically requested by an agency or Congress is permitted at any time.
 - (c) The following agency and legislative liaison activities are permitted at any time only where they are not related to a specific solicitation for any covered Federal action:
 - (1) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and,
 - (2) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.
 - (d) The following agency and legislative liaison activities are permitted where they are prior to formal solicitation of any covered Federal action:
 - (1) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;
 - (2) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and
 - (3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507 and other subsequent amendments.
 - (e) Only those activities expressly authorized by subdivision (b)(ii)(1)(a) of this clause are permitted under this clause.
- (2) Professional and technical services.
 - (a) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply in the case of-
 - (i) A payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action.
 - (ii) Any reasonable payment to a person, other than an officer or employee of a

- person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action. Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.
- (b) For purposes of subdivision (b)(ii)(2)(a) of clause, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline.
- (c) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.
- (d) Only those services expressly authorized by subdivisions (b)(ii)(2)(a)(i) and (ii) of this section are permitted under this clause.
- (iii) Selling activities by independent sales representatives.
- (c) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply to the following selling activities before an agency by independent sales representatives, provided such activities are prior to formal solicitation by an agency and are specifically limited to the merits of the matter:
 - Discussing with an agency (including individual demonstration) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and
 - (ii) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.
- (d) Agreement. In accepting any contract, grant, cooperative agreement, or loan resulting from this solicitation, the person submitting the offer agrees not to make any payment prohibited by this clause.
- (e) Penalties. Any person who makes an expenditure prohibited under paragraph (b) of this clause shall be subject to civil penalties as provided for by 31 U.S.C. 1352. An imposition of a civil penalty does not prevent the Government from seeking any other remedy that may be applicable.
- (f) Cost Allowability. Nothing in this clause is to be interpreted to make allowable or reasonable any costs which would be unallowable or unreasonable in accordance with Part 31 of the Federal Acquisition Regulation (FAR), or OMB Circulars dealing with cost allowability for recipients of assistance agreements. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any of the provisions of FAR Part 31 or the relevant OMB Circulars.

16. Equal Employment Opportunity

During the performance of this contract, the Contractor agrees as follows:

- (a) The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.
- (b) The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to (1) employment; (2) upgrading; (3) demotion; (4) transfer; (5) recruitment or recruitment advertising; (6) layoff or termination; (7) rates of pay or other forms of compensation; and (8) selection for training, including apprenticeship.
- (c) The Contractor shall post in conspicuous places available to employees and applicants for employment the notices to be provided by the Contracting Officer that explain this
- (d) The Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- (e) The Contractor shall send, to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, the notice to be provided by the Contracting Officer advising the labor union or workers' representative of the Contractor's commitments under this clause, and post copies of the notice in conspicuous places available to employees and applicants for employment.
- (f) The Contractor shall comply with Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor.
- (g) The Contractor shall furnish all Information and reports required by Executive Order 11246, as amended and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto. The Contractor shall permit access to its books, records, and accounts by the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (h) In the event of a determination that the Contractor is not in compliance with this clause or any rule, regulation, or order of the Secretary of Labor, this contract may be canceled, terminated, or suspended in whole or in part, and the Contractor may be declared ineligible for further Government contracts, or federally assisted construction contracts under the procedures authorized in Executive Order 11246, as amended. In addition, sanctions may be imposed and remedies invoked against the Contractor as provided in Executive Order 11246, as amended, the rules, regulations, and orders of the Secretary of Labor, or as otherwise provided by law.
- (i) The Contractor shall include the terms and conditions of this clause in every subcontract or purchase order unless exempted by the rules, regulations, or orders of the Secretary of Labor issued under Executive Order 11246, as amended, so that these terms and conditions will be binding upon each subcontractor or vendor. The Contractor shall take such action with respect to any subcontractor or purchase order as the Secretary of Housing and Urban Development or the Secretary of Labor may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided that if the

Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into the litigation to protect the interests of the United States

17. Dissemination or Disclosure of Information

No information or material shall be disseminated or disclosed to the general public, the news media, or any person or organization without prior express written approval by the HA.

18. Contractor's Status

It is understood that the Contractor is an independent contractor and is not to be considered an employee of the HA, or assume any right, privilege or duties of an employee, and shall save harmless the HA and its employees from claims suits, actions and costs of every description resulting from the Contractor's activities on behalf of the HA in connection with this Agreement.

19. Other Contractors

HA may undertake or award other contracts for additional work at or near the site(s) of the work under this contract. The contractor shall fully cooperate with the other contractors and with HA and HUD employees and shall carefully adapt scheduling and performing the work under this contract to accommodate the additional work, heeding any direction that may be provided by the Contracting Officer. The contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or HA employee.

20. Liens

The Contractor is prohibited from placing a lien on HA's property. This prohibition shall apply to all subcontractors.

- 21. Training and Employment Opportunities for Residents in the Project Area (Section 3, HUD Act of 1968; 24 CFR 135)
- (a) The work to be performed under this contract 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). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUDassisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- (b) The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- (c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of

- apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- (d) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- (e) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.
- (f) Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

22. Procurement of Recovered Materials

- (a) In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Contractor shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition. The Contractor shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the Contractor determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.
- (b) Paragraph (a) of this clause shall apply to items purchased under this contract where: (1) the Contractor purchases in excess of \$10,000 of the item under this contract; or (2) during the preceding Federal fiscal year, the Contractor: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that contract.

Exhibit C Additional General Provisions

Document on Following Page

ADDITIONAL GENERAL PROVISIONS

- DEFINITIONS: The following terms shall be given the meaning shown, unless context requires otherwise, or a unique meaning is otherwise specified.
 - Business Entity" means any individual, business, partnership, joint venture, corporation, Scorporation, limited liability corporation, limited liability partnership, sole proprietorship, joint stock
 company, consortium, or other private legal entity recognized by statute.
 - b. "Contractor" means the Business Entity with whom the Housing Authority of the County of San Bernardino enters into this Agreement. Contractor shall be synonymous with "supplier", "vendor" or other similar term.
 - c. "Firm Price" means the Agreement requires the delivery of products or services at a specific price, fixed at the time of the Agreement and not subject to any adjustment on the basis of Contractor's cost experience in performing under the terms of the Agreement.
 - d. "HACSB" means the Housing Authority of the County of San Bernardino, its employees and authorized representatives, including without limitation any department, agency, or other unit of HACSB.
 - e. "Non-routine maIntenance" means duties or tasks that ordinarily would be performed on a regular basis in the course of upkeep of property, but have become substantial in scope because they have been put off, and involve expenditures that would otherwise materially distort the level trend of maintenance expenses. Replacement of equipment and materials rendered unsatisfactory because of normal wear and tear by items of substantially the same kind does qualify, but reconstruction, substantial improvement in the quality or kind of original equipment and materials, or remodeling that alters the nature or type of housing units does not qualify.
- 2. COMPLIANCE WITH STATUTES AND REGULATIONS: Contractor warrants and certifies that in the performance of this Agreement, it will comply with all applicable statutes, rules, regulations and orders of the United States, the State of California and HACSB and agrees to indemnify HACSB against any loss, cost, damage or liability by reason of Contractor's violation of this provision.
- 3. CONTRACTOR'S POWER AND AUTHORITY: Contractor warrants that it has full power and authority to enter into and perform its obligations under this Agreement, and will hold HACSB harmless from and against any loss, cost, liability, and expense (including reasonable attorney fees) arising out of any breach of this Agreement. Further, Contractor agrees that it will not enter into any arrangement with any third party which might abridge any rights of HACSB under this Agreement.
- 4. TRANSPORTATION COSTS AND OTHER FEES OR EXPENSES: No charge for delivery, express, parcel post, packing, cartage, insurance, license fees, permits, cost of bonds, or for any other purpose will be paid by HACSB unless expressly included and itemized in the Agreement.
 - Contractor must strictly follow Agreement requirements regarding Free on Board (F.O.B.), freight terms and routing instructions. HACSB may permit use of an alternate carrier at no additional cost to HACSB with advance written authorization of HACSB.
 - b. If "prepay and add" is selected, supporting freight bills are required when over \$50, unless an exact freight charge is approved by HACSB n and a waiver is granted in writing and in advance of shipping.
 - c. On "F.O.B. Shipping Point" transactions, should any shipments under the Agreement be received by HACSB in a damaged condition and any related freight loss and damage claims filed against the carrier or carriers be wholly or partially declined by the carrier or carriers with the inference that damage was the result of the act of the shipper such as inadequate packaging or loading or some inherent defect in the equipment and/or material, contractor, on request of HACSB, shall at Contractor's own expense assist HACSB in establishing carrier liability by supplying evidence that the equipment and/or material was properly constructed, manufactured, packaged, and secured to withstand normal transportation conditions.
- 5. TIME IS OF THE ESSENCE: Time is of the essence in this Agreement.
- 6. DELIVERY: Contractor shall strictly adhere to the delivery and completion schedules specified in the Agreement. Time, if stated as a number of days, shall mean calendar days unless otherwise specified. The quantities specified herein are the only quantities required. If Contractor delivers in excess of the quantities

specified herein, HACSB shall not be required to make any payment for the excess goods, and may return them to Contractor, at Contractor's expense, or utilize any other rights available to HACSB at law or in equity.

SUBSTITUTIONS: Substitution of goods may not be tendered, without advance written consent of HACSB.
 Contractor shall not use any specification in lieu of those contained in the Agreement, without written consent of HACSB.

8. INSPECTION, ACCEPTANCE AND REJECTION:

- a. Contractor and its subcontractors will provide and maintain a quality assurance system acceptable to HACSB covering goods and services under this Agreement and will tender to HACSB only those goods that have been inspected and found to conform to the requirements of this Agreement. Contractor will keep records evidencing inspections and their result and will make these records available to HACSB during performance of the Work and for three years after final payment. Contractor shall permit HACSB to review procedures, practices, processes and related documents to determine the acceptability of Contractor's quality assurance system or other business practices related to performance of the Work.
- b. All goods may be subject to inspection and test by HACSB or its authorized representatives.
- c. Contractor and its subcontractors shall provide all reasonable facilities for the safety and convenience of inspectors at no additional cost to HACSB. Contractor shall furnish to inspectors all information and data as may be reasonably required to perform their inspection.
- All goods to be delivered hereunder may be subject to final inspection, test and acceptance by HACSB at destination, notwithstanding any payment or inspection at source.
- e. HACSB shall give written notice of rejection of goods delivered or services performed hereunder within a reasonable time after receipt of such goods or performance of such services. Such notice of rejection will state the respects in which the goods do not substantially conform to their specifications. If HACSB does not provide such notice of rejection within thirty (30) days, unless otherwise specified in the Statement of Work, of delivery, such goods and services will be deemed to have been accepted. Acceptance by HACSB will be final and irreversible, except as it relates to latent defects, fraud, and gross mistakes amounting to fraud. Acceptance shall not be construed to waive any warranty rights that HACSB might have at law or by express reservation in this Agreement with respect to any nonconformity.

9. SAMPLES:

- a. Samples of items may be required by HACSB for inspection and specification testing and must be furnished free of expense to HACSB. The samples furnished must be identical in all respects to the products bid and/or specified in the Agreement.
- Samples, if not destroyed by tests, may, upon request made at the time the sample is furnished, be returned at Contractor's expense.
- 10. WARRANTY: Unless otherwise specified, the warranties contained in this Agreement begin after acceptance has occurred.
 - a. Contractor warrants that goods and services furnished hereunder will conform to the requirements of this Agreement (including all descriptions, specifications and drawings made a part hereof), and such goods will be merchantable, fit for their intended purposes, free from all defects in materials and workmanship and to the extent not manufactured pursuant to detailed designs furnished by HACSB, free from defects in design. HACSB's approval of designs or specifications furnished by Contractor shall not relieve Contractor of its obligations under this warranty.
 - All warranties, including special warranties specified elsewhere herein, shall inure to HACSB, its successors, assigns, customer agencies and users of the goods or services.
- 11. SAFETY AND ACCIDENT PREVENTION: In performing the Work under this Agreement on HACSB premises, Contractor shall conform to any specific safety requirements contained in the Agreement or as required by law or regulation. Contractor shall take any additional precautions as HACSB may reasonably require for safety and accident prevention purposes. Any violation of such rules and requirements, unless promptly corrected, shall be grounds for termination of this Agreement in accordance with the default provisions hereof.

- 12. ACCIDENT PREVENTION: Precaution shall be exercised at all times for the protection of persons (including employees) and property. The safety provisions of applicable laws, building and construction codes shall be observed. Machinery, equipment, and other hazards shall be guarded or eliminated in accordance with the safety provisions issued by the Industrial Accident Commission of the State of California.
- 13. INSURANCE: Contractor shall not commence Work under this Agreement until all insurance required under this paragraph has been obtained and such insurance has been approved by HACSB, nor shall Contractor allow any subcontractor to commence work on a subcontract until all similar insurance required of the subcontractor has been so obtained and approved. Contractor shall furnish HACSB with satisfactory proof of the carriage of insurance required, and there shall be a specific contractual liability endorsement extending Contractor's coverage to include the contractual liability assumed by Contractor pursuant to this Agreement. Any policy of insurance required of Contractor under this Agreement shall also contain an endorsement providing that thirty (30) days' notice must be given in writing to HACSB of any pending change in the limits of liability or of any cancellation or modification of the policy. All insurance required hereunder shall be issued by a California admitted insurance carrier.

The insurance required to be carried by Contractor hereunder shall include:

a. Compensation Insurance and Employer's Liability Insurance. Contractor shall take out and maintain during the entire term of this Agreement, Workers' Compensation Insurance and Employer's Liability Insurance for all of employees employed at the site of the project and, in case any work is sublet, Contractor shall require the subcontractor similarly to provide Workers' Compensation Insurance and Employer's Liability Insurance for all of the latter's employees unless such employees are covered by the protection afforded by Contractor.

In signing this Agreement, Contractor makes the following certification, required by Section 1861 of the Labor Code:

"I am aware of the provision of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."

b. Commercial General Liability Insurance. Contractor, at its own cost and expense, shall maintain personal injury liability and property damage insurance for the entire term of this Agreement in the amount of Three Million and No/100 Dollars (\$3,000,000.00) per occurrence for Bodily Injury, Personal Injury, and Property Damage which shall include coverage under the policy for the armed operations of all security guard personnel. If the use of firearms is covered under a special insurance policy, the Housing Authority of the County of San Bernardino will be named as an additional Insured on the policy – attached endorsement required. Such coverage shall include, but shall not be limited to, protection against claims arising from, and damage to property resulting from, activities contemplated under this Agreement. Such insurance shall be with insurers and under forms of policies satisfactory in all respects to HACSB and shall provide that notice must be given to HACSB at least thirty (30) days prior to cancellation or material change. The following endorsements shall be attached to the policy:

Policy shall cover on an "occurrence" basis. Policy must cover personal injuries as well as bodily injuries. Exclusion of contractual liability must be eliminated from personal injury endorsement.

Broad form property damage endorsement must be attached. HACSB is to be named as an additional insured included on an attached endorsement for any contracts of insurance under this paragraph b. Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under Subdivision (b) of Section 2782 of the Civil Code. The policies of insurance shall be considered primary insurance before any policies of insurance maintained by HACSB. Contractor shall be named as an additional insured with respect to such general liability insurance policy.

- c. Automobile Liability. Contractor, at its own cost and expense, shall maintain automobile insurance for the period covered by the Contract in the amount of One Million and No/100 Dollars (\$1,000,000.00) per accident for Bodily Injury and Property Damage. Contractor shall be named as an additional insured with respect to such automobile liability insurance policy.
- d. Professional Errors and Omissions Liability insurance for armed security guards: limit not less than \$3,000,000 general aggregate.

- e. Worker's Compensation. A state approved Workers Compensation and Employers Liability Insurance policy providing benefits as required by law with employer's liability limits no less than One Million and No/100 Dollars (\$1,000,000) per accident or disease, which covers all employees of the contractor and each and every contractor.
- **14. FORCE MAJEURE:** Contractor shall be excused for performing the Work hereunder in the event that Contractor is unable to perform the Work for one of the following reasons:
 - a. Acts of God or of the public enemy, and
 - Acts of the federal, state or local government in either its sovereign or contractual capacity.

Such delay shall be for the period of time that Contractor is delayed from performing the Work as a direct result of one of the foregoing reasons. Contractor shall provide HACSB notice within three (3) days of any such force majeure event.

15. CONTRACTOR'S LIABILITY FOR INJURY TO PERSONS OR DAMAGE TO PROPERTY:

- a. Contractor shall be liable for damages arising out of injury to the person and/or damage to the property of HACSB, employees of HACSB, persons designated by HACSB for training, or any other person(s) other than agents or employees of Contractor, designated by HACSB for any purpose, prior to, during, or subsequent to delivery, installation, acceptance, and use of the goods either at Contractor's site or at HACSB's place of business, provided that the injury or damage was caused by the fault or negligence of Contractor.
- b. Contractor shall not be liable for damages arising out of or caused by an alteration or an attachment not made or installed by Contractor, or for damage to alterations or attachments that may result from the normal operation and maintenance of the goods provided by Contractor during the Agreement.
- 16. INVOICES: Unless otherwise specified, invoices shall be sent to the address set forth herein. Invoices shall be submitted in triplicate and shall include the contract number; release order number (if applicable); item number; unit price, extended item price and invoice total amount. The State of California ad other sales tax and/or use tax shall be itemized separately and added to each invoice as applicable.
- 17. **REQUIRED PAYMENT DATE:** Payment will be made in accordance with the provisions of the Agreement for work completed through the date of invoice. HACSB will pay properly submitted, undisputed invoices not more than thirty (30) days after (i) the date of acceptance of goods or performance of services; or (ii) receipt of an undisputed invoice, whichever is later.
- 18. TAXES: HACSB will only pay for any state or local sales or use taxes on the services rendered or goods supplied to HACSB pursuant to this Agreement.
- **19. NEWLY MANUFACTURED GOODS:** All goods furnished under this contract shall be newly manufactured goods; used or reconditioned goods are prohibited, unless otherwise specified.
- 20. NEWS RELEASES: Unless otherwise exempted, news releases pertaining to this Agreement shall not be made without prior written approval of HACSB.

21. PATENT, COPYRIGHT and TRADE SECRET INDEMNITY:

- a. Contractor shall hold HACSB, its officers, agents and employees, harmless from liability of any nature or kind, including costs and expenses, for infringement or use of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used in connection with the Agreement.
- b. Contractor may be required to furnish a bond to HACSB against any and all loss, damage, costs, expenses, claims and liability for patent, copyright and trade secret infringement.
- c. Contractor, at its own expense, shall defend any action brought against HACSB to the extent that such action is based upon a claim that the goods or software supplied by Contractor or the operation of such goods pursuant to a current version of Contractor supplied operating software infringes a United States patent or copyright or violates a trade secret. Contractor shall pay those costs and damages finally awarded against HACSB in any such action. Such defense and payment shall be conditioned on the following:
 - That Contractor shall be notified within a reasonable time in writing by HACSB of any notice of such claim; and,

- ii. That Contractor shall have the sole control of the defense of any action on such claim and all negotiations for its settlement or compromise, provided, however, that when principles of government or public law are involved, HACSB shall have the option to participate in such action at its own expense.
- d. Should the goods or software, or the operation thereof, become, or in Contractor's opinion are likely to become, the subject of a claim of infringement of a United States patent or copyright or a trade secret, HACSB shall permit Contractor at its option and expense either to procure for HACSB the right to continue using the goods or software, or to replace or modify the same so that they become non-infringing. If none of these options can reasonably be taken, or if the use of such goods or software by HACSB shall be prevented by injunction, Contractor agrees to take back such goods or software and make every reasonable effort to assist HACSB in procuring substitute goods or software. If, in the sole opinion of HACSB, the return of such infringing goods or software makes the retention of other goods or software acquired from Contractor under this Agreement impractical, HACSB shall then have the option of terminating such Agreement, or applicable portions thereof, without penalty or termination charge. Contractor agrees to take back such goods or software and refund any sums HACSB has paid Contractor.
- Contractor shall have no liability to HACSB under any provision of this clause with respect to any claim of patent, copyright or trade secret infringement which is based upon:
 - The combination or utilization of goods furnished hereunder with equipment or devices not made or furnished by Contractor; or,
 - The operation of equipment furnished by Contractor under the control of any operating software other than, or in addition to, the current version of Contractor-supplied operating software; or
 - iii. The modification by HACSB of the equipment furnished hereunder or of the software; or
 - The combination or utilization of software furnished hereunder with non-Contractor supplied software.
- f. Contractor certifies that it has appropriate systems and controls in place to ensure that HACSB funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.
- g. The foregoing states the entire liability of Contractor to HACSB with respect to infringement of patents, copyrights or trade secrets.

22. STOP WORK:

- a. HACSB may, at any time, by written Stop Work order ("Stop Work Order") to Contractor, require Contractor to stop all, or any part, of the Work called for by this Agreement for a period up to ninety (90) days after the Stop Work Order is delivered to Contractor, and for any further period to which the parties may agree. The Stop Work Order shall be specifically identified as such and shall indicate it is issued under this clause. Upon receipt of the Stop Work Order, Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the Stop Work Order during the period of work stoppage. Within a period of ninety (90) days after a Stop Work Order is delivered to Contractor, or within any extension of that period to which the parties shall have agreed, HACSB shall either:
 - i. Cancel the Stop Work Order; or
 - Terminate the Work covered by the Stop Work Order as provided for in the termination for default or the Termination for Convenience and Default provision of this Agreement.
 - iii. If a Stop Work Order issued under this clause is canceled or the period of the Stop Work Order or any extension thereof expires, Contractor shall resume work. HACSB shall make an equitable adjustment in the delivery schedule, the price, or both, and the Agreement shall be modified, in writing, accordingly, if:
 - The Stop Work Order results in an increase in the time required for, or in Contractor's cost properly allocable to the performance of any part of this Agreement; and
 - Contractor asserts its right to an equitable adjustment within thirty (30) days after the end of the period of work stoppage; provided that if HACSB decides the facts

justify the action, HACSB may receive and act upon a proposal submitted at any time before final payment under this Agreement.

- b. If a Stop Work Order is not canceled and the Work covered by the Stop Work Order is terminated in accordance with the provision entitled Termination for Convenience and Default HACSB shall allow reasonable costs resulting from the Stop Work Order in arriving at the termination settlement.
- HACSB shall not be liable to Contractor for loss of profits because of a Stop Work Order issued under this clause.
- 23. COVENANT AGAINST GRATUITIES: Contractor warrants that it complies with the Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR Part 3), and that no gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by Contractor, or any agent or representative of Contractor, to any officer or employee of HACSB with a view toward securing the Agreement or securing favorable treatment with respect to any determinations concerning the performance of the Agreement. For breach or violation of this warranty, HACSB shall have the right to terminate the Agreement, either in whole or in part, and any loss or damage sustained by HACSB in procuring on the open market any items which Contractor agreed to supply shall be borne and paid for by Contractor. The rights and remedies of HACSB provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or in equity.
- 24. COMPLIANCE WITH DAVIS-BACON ACT: For construction agreements in excess of \$2,000, Contractor certifies that it complies with the Davis-Bacon Act (40 U.S.C. 276a to 276a-7) as supplemented by Department of Labor regulations (29 CFR Part 3). Unless otherwise indicated in the Statement of Work, Contractors of HACSB are required, pursuant to 24 CFR 85.36(h)(5), to pay Davis-Bacon wage rates for all "construction contracts and related subcontracts in excess of \$2000," which means, for such jobs, the wage rates paid must be equal to or exceed the listed applicable Davis-Bacon wage rate. Compliance with this clause also means that Contractor may be subject to completing certain reports and to audits by HACSB and the Department of Housing and Urban Development. Such reports and information relating to compliance can be obtained at the Internet website: http://www.gpo.gov/davisbacon/. Contractor shall include the wage provisions of this clause in all subcontracts to perform work under this Agreement.

HACSB shall have the right to audit Contractor, at any time, in order to ensure compliance with the requirements of this Section. In connection therewith, Contractor agrees to maintain accurate books and records in connection with the Work, and all payments made or received by Contractor pursuant to this Agreement, and to provide such information to HACSB, within five (5) business days of any request by HACSB. In addition, Contractor shall provide, upon two (2) business days request, information to HACSB of each and every employee retained by Contractor in connection with the Work, and shall permit HACSB to interview any such employees, contractors or subcontractors. Contractor agrees that all maintenance laborers and mechanics employed by it in connection with the performance of the Work shall be paid unconditionally and not less often than semi-monthly, and without subsequent deduction (except as otherwise provided by law or regulations), the full amount of wages due at time of payment computed at rates not less then those contained in the wage determination of the Secretary of Housing and Urban Development. Such laborers and mechanics shall be paid the appropriate wage rate on the wage determination for the classification of work actually performed, without regard to skill. Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein; provided, that Contractor's payroll records accurately set forth the time spent in each classification in which the work is performed. The wage determination, including any additional classifications and wage rates approved by HUD shall be posted at all times by Contractor and its subcontractors at the site of the Work in a prominent and accessible place where it can be easily seen by the workers.

- 25. CALIFORNIA PREVAILING WAGE (IF AGREEMENT PRICE IS LESS THAN \$2,000): In the event the Agreement Price is less than \$2,000, Contractor agrees to comply with all prevailing rate requirements of the California Labor Code. HACSB shall have the right to audit and inspect Contractor's books and records, and interview Contractor's employees, contractors and subcontractors, all according to the same provisions set forth in Section 26 above.
- 26. EQUAL EMPLOYMENT OPPORTUNITY: For all construction agreements in excess of \$10,000, Contractor certifies its compliance with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR Chapter 60).
- 27. NONDISCRIMINATION CLAUSE:

- a. During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, sexual orientation, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), medical condition (cancer), age, marital status, and denial of family care leave. Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12990 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. Contractor 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.
- Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.
- 28. NATIONAL LABOR RELATIONS BOARD CERTIFICATION: Contractor swears under penalty of perjury that no more than one final, unappealable finding of contempt of court by a federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of the National Labor Relations Board. This provision is required by, and shall be construed in accordance with, Public Contract Code Section 10296.
- 29. DRUG-FREE WORKPLACE CERTIFICATION: Contractor certifies under penalty of perjury under the laws of the State of California that Contractor 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:
 - 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, as required by Government Code Section 8355(a).
 - b. Establish a Drug-Free Awareness Program as required by Government Code Section 8355(b) to inform employees about all of the following:
 - the dangers of drug abuse in the workplace;
 - ii. the person's or organization's policy of maintaining a drug-free workplace;
 - iii. any available counseling, rehabilitation and employee assistance programs; and,
 - iv. penalties that may be imposed upon employees for drug abuse violations.
 - c. Provide, as required by Government Code Section 8355(c), that every employee who works on the proposed or resulting agreement:
 - i. will receive a copy of the company's drug-free policy statement; and,
 - will agree to abide by the terms of the company's statement as a condition of employment on the agreement.
- 30. RECYCLING: Contractor shall certify in writing under penalty of perjury, compliance with Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to HACSB regardless of whether the product meets the requirements of Section 12209.
- 31. COMPLIANCE WITH CONTRACT WORK HOURS AND SAFETY STANDARDS ACT: For agreements in excess of \$2,000, and in excess of \$2500 for other agreements which involve the employment of mechanics or laborers, Contractor certifies that it complies with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations (29 CFR Part 5).
- 32. CHILD SUPPORT COMPLIANCE ACT: For any contract in excess of \$100,000, Contractor acknowledges in accordance with Public Contract Code Section 7110, that:
 - Contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable State of California and Federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings

- assignment orders, as provided in Chapter 8 (commencing with Section 5200) of Part 5 of Division 9 of the Family Code; and
- b. Contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.
- 33. ELECTRONIC WASTE RECYCLING ACT OF 2003: Contractor certifies that it complies with the requirements of the Electronic Waste Recycling Act of 2003, Chapter 8.5, Part 3 of Division 30, commencing with Section 42460 of the Public Resources Code, relating to hazardous and solid waste. Contractor shall maintain documentation and provide reasonable access to its records and documents that evidence compliance.
- 34. ENVIRONMENTAL REGULATIONS: For agreements in excess of \$100,000, Contractor certifies that it complies with the requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (3 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 C.F.R. part 15).
- 35. USE TAX COLLECTION: In accordance with PCC Section 10295.1, Contractor certifies that it complies with the requirements of Section 7101 of the Revenue and Taxation Code. Contractor further certifies that it will immediately advise HACSB of any change in its retailer's seller's permit or certification of registration or applicable affiliate's seller's permit or certificate of registration as described in subdivision (a) of PCC Section 10295.1.
- DOMESTIC PARTNERS: For agreements over \$100,000 executed or amended after January 1, 2007.
 Contractor certifies that Contractor is in compliance with Public Contract Code Section 10295.3.

Exhibit D Work Authorization

Schedule Dates:

Start Date:

March 1, 2021

Completion Date:

February 28, 2023

Total Contract Cost:

\$327,551.00 per Fee Schedule Located in Exhibit A

Schedule Requirements - Statement of Work ("Exhibit A")

General Conditions for Non-construction work ("Exhibit B")

Additional General Provisions ("Exhibit C")

Work Authorization ("Exhibit D")

REPORT/RECOMMENDATION TO THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO AND RECORD OF ACTION

February 18, 2025

FROM

MARIA RAZO, Executive Director, Housing Authority of the County of San Bernardino

SUBJECT

Contract Amendment No. 4 with the San Bernardino County Transitional Assistance Department for California Work Opportunity and Responsibility to Kids Housing Support Program Services

RECOMMENDATION(S)

- Approve contract amendment No. 4 with the San Bernardino County Transitional Assistance Department for the provision of California Work Opportunity and Responsibility to Kids Housing Support Program services increasing the amount by \$1,619,261 for a total contract amount not to exceed \$47,813,480, for the total contract period of July 1, 2020, through June 30, 2025.
- 2. Authorize and direct the Executive Director to execute and deliver the contract to the San Bernardino County Transitional Assistance Department and, upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction. (Presenter: Maria Razo, Executive Director, 332-6305)

STRATEGIC PLAN ALIGNMENT

Aspirational Statement #2: To be known as a trusted provider of safe, dignified, and desirable homes and environments that enrich and add value to the community. Aspirational Statement #5: To create, build and utilize partnerships that provide opportunities and create a meaningful difference in the lives of the families that we serve, maximizing out resources by mobilizing the talents of our community partners.

FINANCIAL IMPACT

San Bernardino County's (County) Transitional Assistance Department (TAD) received notification from the California Department of Social Services (CDSS) that the Housing Authority of the County of San Bernardino (HACSB) was awarded an additional \$1,619,261 for the California Work Opportunity and Responsibility to Kids (CalWORKs) Housing Support Program (HSP) for a total contract amount not to exceed \$47,813,480.

BACKGROUND INFORMATION

CalWORKs HSP was established through SB 855 (Chapter 29, Statutes of 2014) to promote housing stability for families in the CalWORKs program. The Rapid Rehousing (RRH) services provided through HSP offer time-limited, individualized rental assistance at a level that enables households to maintain housing while they seek to increase income; learn to manage a household budget; relocate to less expensive housing; and/or reduce expenses to sustain their housing. Rental assistance will be provided in a manner that is intended to prevent families from experiencing a sudden and unmanageable increase to their housing expenses at the end of program assistance.

HACSB's affiliate non-profit, Knowledge, Education for Your Success, Inc. (KEYS), works with families and private landlords to provide RRH and rental assistance. KEYS partners with community and faith-based organizations to leverage and support payment of security deposits,

Contract Amendment No. 4 with the San Bernardino County Transitional Assistance Department for California Work Opportunity and Responsibility to Kids Housing Support Program Services February 18, 2025

utility assistance, furniture needs, and other housing costs as appropriate to the situation. With an estimated average cost of \$27,334.23 per household, the additional funds will enable KEYS to serve 58 more households, extending these crucial services to more families in need.

PROCUREMENT

The County's Purchasing Department determined that the non-competitive nature of a contract with HACSB is justified based on CDSS' allocation to the County as a result of TAD's proposal to partner with HACSB in its application for HSP funding.

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on January 30, 2025.

THE INFORMATION IN THIS BOX IS NOT A PART OF THE CONTRACT AND IS FOR COUNTY USE ONLY



Contract Number

20-503 A-4

SAP Number 4400014304

Transitional Assistance Department

Department Contract Representative	Diane Ettari, Contract Analyst
Telephone Number	(909) 386-8313
Contractor	Housing Authority of the County of
	San Bernardino
Contractor Representative	Maria Razo, Executive Director
Telephone Number	(909) 890-0644
Contract Term	07/01/2020 through 06/30/2025
Original Contract Amount	46,194,219
Amendment Amount	1,619,261
Total Contract Amount	47,813,480
Cost Center	5017601000 and 5017611000
Grant Number (if appliable)	

IT IS HEREBY AGREED AS FOLLOWS:

AMENDMENT NO. 4

It is hereby agreed to amend Contract No. 20-503 as follows:

SECTION V. FISCAL PROVISIONS

Paragraph A. is amended to read as follows:

A. The maximum amount of payment under this Contract shall not exceed \$47,813,480, which is 100% federally and state funded, and payment shall be subject to availability of funds to the County. The consideration to be paid to Contractor, as provided herein, shall be in full payment for all Contractor's services and expenses incurred in the performance hereof, including travel and per diem.

Paragraph G. is removed and replaced with Reserved.

ATTACHMENT C - PROGRAM BUDGET

Remove and replace Attachment C, CalWORKs Housing Support Program Budget effective July 1, 2023 through June 30, 2025, attached hereto and incorporated herein by this reference.

All other terms and conditions of Contract No. 20-503 remain in full force and effect.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same Agreement. The parties shall be entitled to sign and transmit an electronic signature of this Agreement (whether by facsimile, PDF or other email transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Agreement upon request.

SAN BERNARDINO COUNTY		SAN BERNARDINO		
			e name of corporation, company, contractor, etc.)	
•		Ву ▶		
Chair, Board of Supervisors		_, <u></u>	(Authorized signature - sign in blue ink)	
Dated:		Name M	laria Razo	
SIGNED AND CERTIFIED THAT A	COPY OF THIS		(Print or type name of person signing contract)	
DOCUMENT HAS BEEN DELIVERE CHAIRMAN OF THE BOARD	ED TO THE			
		Title Executive Director		
Lynna Monell Clerk of the Board of Supervisors San Bernardino County			(Print or Type)	
Ву		Dated:		
Deputy			745 Foot Drive Drive	
		Address	715 East Brier Drive	
			San Bernardino, CA 92408	
FOR COUNTY USE ONLY				
Approved as to Legal Form	Reviewed for Contract	Compliance	Reviewed/Approved by Department	
>			•	
Adam Ebright, Deputy County Counsel	Patty Steven, Contract	ts Manager	James LoCurto, Director	
Date	Date		Date	

HOUSING AUTHORITY OF THE COUNTY OF

Standard Contract Page

CalWORKs Housing Support Program Budget

	23/24	24/25
I. DIRECT FINANCIAL ASSISTANCE		
1. PERM HOUSING	\$3,889,899	\$5,263,990
2. INTERIM	\$1,734,603	\$1,670,000
2. PREVENTION	\$474,428	\$2,047,107
II. CASE MANAGEMENT		
1. PERSONNEL	\$1,052,334	\$1,254,581
III. ADMIN/SUPPORT EXPENSES		
1. PROGRAM MANAGEMENT	\$669,357	\$506,000
2. PERSONNEL OTHER	\$775,158	\$1,418,638
3. DATA COLLECTION/TRACKING	\$195,530	\$450,000
Total	\$8,791,309	\$12,610,316
Current Budget	\$9,891,182	\$9,891,182
Difference	-\$1,099,873	\$2,719,134

REPORT/RECOMMENDATION TO THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO AND RECORD OF ACTION

February 18, 2025

FROM

MARIA RAZO, Executive Director, Housing Authority of the County of San Bernardino

SUBJECT

Contract Amendment No. 5 with Knowledge, Education for Your Success, Inc. for California Work Opportunity and Responsibility to Kids Housing Support Program Services

RECOMMENDATION(S)

- 1. Approve contract amendment No. 5 with Knowledge, Education for Your Success, Inc. for the provision of California Work Opportunity and Responsibility to Kids Housing Support Program Housing Navigator Services increasing the amount by \$1,619,261 for a total contract amount not to exceed \$47,813,480 through June 30, 2025.
- 2. Authorize and direct the Executive Director to execute and deliver the contract to Knowledge and Education for Your Success, Inc. and, upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction.

(Presenter: Maria Razo, Executive Director, 332-6305)

STRATEGIC PLAN ALIGNMENT

Aspirational Statement #2: To be known as a trusted provider of safe, dignified, and desirable homes and environments that enrich and add value to the community. Aspirational Statement #5: To create, build and utilize partnerships that provide opportunities and create a meaningful difference in the lives of the families that we serve, maximizing our resources by mobilizing the talents of our community partners.

FINANCIAL IMPACT

Approval of this item is not expected to exceed a total contract amount of \$47,813,480 which is funded through the California Work Opportunity and Responsibility to Kids (CalWORKs) Housing Support Program (HSP) funds received by the Housing Authority of the County of San Bernardino (HACSB) pursuant to its CalWORKs HSP contract with the San Bernardino County Transitional Assistance Department (TAD).

BACKGROUND INFORMATION

Under the terms of the recommended contract amendment, HACSB's affiliate non-profit, Knowledge, Education for Your Success, Inc. (KEYS) will continue to provide housing navigation and rental assistance for CalWORKs families who identify themselves as homeless. CalWORKs HSP was established through SB 855 (Chapter 29, Statues of 2014) to promote housing stability for families in the CalWORKs program. The Rapid Rehousing (RRH) services provided through HSP offer time-limited, individualized rental assistance at a level that enables family members to maintain housing while they seek to increase income; learn to manage a household budget; relocate to less expensive housing; and/or reduce expenses to sustain their housing. Rental assistance will be provided in a manner that is intended to prevent families from experiencing a sudden and unmanageable increase to their housing expenses at the end of program assistance. Additionally, KEYS partners with community and faith-based organizations to leverage and support payment of security deposits, utility assistance, furniture needs, and other housing costs as appropriate to the situation.

Contract Amendment No. 5 with Knowledge, Education for Your Success, Inc. for California Work Opportunity and Responsibility to Kids Housing Support Program Services February 18, 2025

The purpose of this approval is to provide funding to continue the provision of services by KEYS. The changes in the proposed amendment will align the amount and term of the contract with the amount and term of the corresponding HSP contract between HACSB and TAD.

PROCUREMENT

The contract award was non-competitive due to TAD writing KEYS and HACSB directly into the contract proposal for the state funding. Also, the San Bernardino County Purchasing Department determined that the non-competitive nature of a contract with HACSB and KEYS is justified based on California Department of Social Services' allocation to the County of San Bernardino as a result of TAD's proposal to partner with HACSB in its application for HSP funding.

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on January 30, 2025.



FIFTH AMENDMENT TO CONSULTING, SERVICES, AND NON-ROUTINE MAINTENANCE RELATED SERVICES AGREEMENT (NON-CONSTRUCTION)

BETWEEN

THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO

And

KNOWLEDGE, EDUCATION FOR YOUR SUCCESS, INC. (KEYS)

This Fifth Amendment to Consulting, Services, and Non-Routine Maintenance Related Services Agreement (Non-Construction) ("Fifth Amendment") is entered into as of February 19, 2025, by and between the Housing Authority of the County of San Bernardino ("Authority"), a public body, corporate and politic and Knowledge, Education For Your Success, Inc., a California public benefit nonprofit corporation ("KEYS"). The Authority and KEYS are referred to herein, collectively, as the "Parties."

RECITALS

WHEREAS, on June 9, 2020 (Item No. 9), the Board of Commissioners approved that certain non-competitive Consulting, Services, and Non-Routine Maintenance Related Services Agreement (Non-Construction), dated as of July 1, 2020 (the "Agreement"), by and between the Authority and KEYS, for the purpose of KEYS providing Housing Navigator Services in the amount of \$6,480,000, for the period of July 1, 2020 through June 30, 2021.

WHEREAS, on June 8, 2021 (Item No. 7), the Board of Commissioners approved the first amendment to the Agreement, increasing the amount by \$6,480,000, for a total contract amount not to exceed \$12,960,000 and extending the term by one year through June 30, 2022.

WHEREAS, on May 10, 2022 (Item No. 15), the Board of Commissioners approved the second amendment to the Agreement for the purpose of KEYS providing Housing Navigator Services increasing the amount by \$18,162,657, for a total contract amount not to exceed \$31,122,657 and extending the term by one year through June 30, 2024.

WHEREAS, on November 14, 2023 (Item No. 6) the Board of Commissioners approved the third amendment to the Agreement, increasing the total contract amount by \$5,179,380 from \$31,122,657 to \$36,302,037 for a total contract period of July 1, 2020 through June 30, 2024.

WHEREAS, on November 12, 2024 (Item No. 11) the Board of Commissioners approved the fourth amendment to the Agreement, increasing the total contract amount by \$9,892,192 from \$36,302,037 to \$46,194,219 for a total contract period of July 1, 2020 through June 30, 2025.

WHEREAS, the Parties now desire to further amend the Agreement, increasing the total contract amount by \$1,619,261 from \$46,194,219 to \$47,813,480 for a total contract period of July 1, 2020 through June 30, 2025.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, Authority and KEYS hereby agree as follows:

AGREEMENT

- **1. Fiscal Provisions.** Section V of the Agreement, entitled "Fiscal Provisions", at Subsection A, shall be amended in its entirety to increase the Contract Sum by \$1,619,261 to read as follows:
 - "A. The maximum amount of reimbursement under this Contract shall not exceed \$47,813,480 for a total contract period of July 1, 2020, through June 30, 2025, of which 100% shall be federally and state funded, and shall be subject to availability of funds to the County and HACSB. The consideration to be paid to Contractor, as provided herein, shall be in full payment for all Contractor's services and expenses incurred in the performance hereof, including travel and per diem."
- <u>2.</u> Continuing Effect of Agreement. Except as amended by this First Agreement, all provisions of the Agreement, as amended, shall remain unchanged and in full force and effect. From and after the date of this Fifth Amendment, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement, as amended by this Fifth Amendment.
- <u>3</u>. Affirmation of Agreement; Warranty Re Absence of Defaults. Authority and Consultant each ratify and reaffirm each and every one of the respective rights and obligations arising under the Agreement, as amended. Each party represents and warrants to the other that there have been no written or oral modifications to the Agreement other than by way of this Fifth Amendment as provided herein. Each party represents and warrants to the other that the Agreement, as amended by this Fifth Amendment, is currently an effective, valid, and binding obligation.

Consultant represents and warrants to Authority that, as of the date of this Fifth Amendment, Authority is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

Authority represents and warrants to consultant that, as of the date of this Fifth Amendment, Consultant is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

- **4. Adequate Consideration**. The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Fifth Amendment.
- <u>5</u>. **Authorization**. The persons executing this Fifth Amendment on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Fifth Amendment on behalf of said party, (iii) by so executing this Fifth Amendment, such party is formally bound to the provisions of this Fifth Amendment, and (iv) the entering into this Fifth Amendment does not violate any provision of any other agreement to which said party is bound.

IN WITNESS WHEREOF, the Housing Authority of the County of San Bernardino and KEYS have signed this Fifth Amendment.

KNOWLEDGE, EDUCATION FOR YOUR SUCCESS, INC.	HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO			
By:	By:			
Name: Shanikqua Freeman	Name: Maria Razo			
Title: Executive Director	Title: Executive Director			
Date:	Date:			

REPORT/RECOMMENDATION TO THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO AND RECORD OF ACTION

February 18, 2025

FROM

MARIA RAZO, Executive Director, Housing Authority of the County of San Bernardino

SUBJECT

Temporary Construction Easement with the State of California, Department of Transportation at Valencia Grove

RECOMMENDATION(S)

- Approve a temporary construction easement and right of way to the State of California Department of Transportation, to upgrade pedestrian pathways and sidewalks to meet current Americans with Disabilities Act standards on real property owned by the Housing Authority of the County of San Bernardino, near the intersection of East Lugonia Ave. and Church Street in the city of Redlands.
- 2. Authorize and direct the Executive Director to execute and deliver the contract to the State of California Department of Transportation, and any other related documents, upon consultation with Legal Counsel.

(Presenter: Maria Razo, Executive Director, 332-6305)

STRATEGIC PLAN ALIGNMENT

Aspirational Statement #5: To create, build and utilize partnerships that provide opportunities and create a meaningful difference in the lives of the families that we serve, maximizing out resources by mobilizing the talents of our community partners.

FINANCIAL IMPACT

Approval of this item will not result in a financial impact to the Housing Authority of the County of San Bernardino (HACSB) as the cost of recording these easement documents will be provided by the State of California Department of Transportation (Caltrans).

BACKGROUND INFORMATION

HACSB currently owns and manages over 2,500 units of multi-family housing throughout San Bernardino County of which various companies and government agencies partner with us to provide general use to the public without any major impediments. Caltrans, during routine inspections and maintenance activities has identified a section of pedestrian pathway and sidewalks at the Valencia Grove site that need upgrading. As a result, approval of this item is necessary for Caltrans to receive a grant of easement and right of way at the HACSB real property, located on the southeast corner of East Lugonia Avenue and Church Street, near the future phase III development at Valencia Grove in the city of Redlands. This action will result in the upgrading of pedestrian pathways and sidewalks to meet current Americans with Disabilities Act (ADA) standards via pavement rehabilitation and other upgrades. HACSB does not anticipate this approval will impact future development or operations at the site.

PROCUREMENT

Not applicable.

REVIEW BY OTHERSThis item has been reviewed by General Legal Counsel, Fred Galante, on January 30, 2025.

RIGHT OF WAY CONTRACT - STATE HIGHWAY

RW 8-3 (Rev. 6/95)

, California

District	County	Route	Post Mile	R/W E.A/PROJ. #.
8	SBD	038	0.75	1K940 0819000130

Date

THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO, A PUBLIC BODY, CORPORATE AND POLITIC.

Grantor(s)

Document No. <u>25970-1</u> in the form of a **Grant Deed**, Document No. <u>25970-2</u> in the form of a **Temporary Construction Easement** and Document No. <u>25970-3</u> in the form of a **Grant Deed** to the State of California covering the property particularly described in the above instrument has been executed and delivered to <u>Amanda Perez</u>, <u>Associate Right of Way Agent</u> for the State of California.

- 1. In consideration of which, and the other considerations hereinafter set forth, it is mutually agreed as follows:
- (A) The parties have herein set forth the whole of their agreement. The performance of this agreement constitutes the entire consideration for said document and shall relieve the State of all further obligation or claims on this account, or on account of the location, grade or construction of the proposed public improvement.
- (B) Grantee requires said property (APN 0169-372-04, -06) described in Document No. <u>25970-1,-2, -3 as outlined in Exhibit "A" as</u> for State highway purposes, a public use for which Grantee has the authority to exercise the power of eminent domain. Grantor(s) is compelled to sell, and Grantee is compelled to acquire the property.
- (C) Both Grantor(s) and Grantee recognize the expense, time, effort, and risk to both parties in determining the compensation for the property by eminent domain litigation. The compensation set forth herein for the property is in compromise and settlement, in lieu of such litigation.
- (D) The parties to this contract shall, pursuant Section 21.7(a) of Title 49, Code of Federal Regulations, comply with all elements of Title VI of the Civil Rights Act of 1964. This requirement under Title VI and the Code of Federal Regulations is to complete the USDOT-Non-Discrimination Assurance requiring compliance with Title VI of the Civil Rights Act of 1964, 49 C.F.R. Part 21 and 28 C.F.R. Section 50.3.

No person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity that is the subject of this contract.

- 2. The State shall:
- (A) Pay the undersigned grantor(s) the sum of **\$2,434.30** for the property or interest conveyed by above document(s).

- (B) Pay all escrow and recording fees, including any and all notary fees incurred in this transaction and, if title insurance is desired by the State, the premium charged therefor. Said escrow and recording charges shall not, however, include documentary transfer tax.
- 3. This transaction will be handled through an escrow with <u>the State of California Department of Transportation</u>, 464 W. 4th Street, San Bernardino, CA 92410.
- 4. Any or all moneys payable under this contract up to and including the total amount of unpaid principal and interest on note secured by mortgage or deed of trust, if any, and all other amounts due and payable in accordance with the terms and conditions of said trust deed or mortgage, shall, upon demand, be made payable to the mortgagee or beneficiary(ies) entitle thereunder, said mortgagee(s) or beneficiary(ies) to furnish Grantor with good and sufficient receipt showing said moneys credited against the indebtedness secured by said mortgage or deed of trust.
- 5. Grantor(s) warrant(s) that there are no oral or written leases on all or any portion of the property exceeding a period of one month, and the Grantor(s) further agree(s) to hold the State harmless and reimburse the State for any and all of its losses and expenses occasioned by reason of any lease of said property held by any tenant of Grantor(s) for a period exceeding one month.
- 6. In consideration of the State's waiving the defects and imperfections in the record title, as set forth in Paragraph 2 (A), the undersigned Grantor covenants and agrees to indemnify and hold the State of California harmless from any and all claims that other parties may make or assert on the title to the premises. The Grantor's obligation herein to indemnify the State shall not exceed the amount paid to the Grantor under this contract.
- 7. State agrees to indemnify and hold harmless the Grantor(s) from any liability arising out of State's operations under this agreement. State further agrees to assume responsibility for any damages proximately caused by reason of State's operations under this agreement and State, will, at its option, either repair or pay for such damage.
- 8. The acquisition price of the property being acquired in this transaction reflects the fair-market value of the property without the presence of contamination. If the property being acquired is found to be contaminated by the presence of hazardous waste which requires mitigation under Federal or State law, the State may elect to recover its cleanup costs from those who caused or contributed to the contamination.
- 9. It is agreed and confirmed by the parties hereto that notwithstanding other provisions in this contract, the right of possession and use of the subject property by the State, including the right to remove and dispose of improvements, shall commence on the date the amount of funds as specified in Clause 2(A) herein are paid to the grantor (s). The amount shown in clause 2(A), herein includes, but is not limited to, full payment for such possession and use, including damages, if any, from said date.
- 10. All work done under this agreement shall conform to all applicable building, fire and sanitary laws ordinances, and regulations relating to such work, and done in a good and workmanlike manner. All structures, improvements or other facilities, when removed, and relocated, or reconstructed by the State, shall be left in as good condition as found. If affected, the State's

RIGHT OF WAY CONTRACT - STATE HIGHWAY (Cont.)

RW 8-3 (Rev. 6/95)

contractor will relocate any utilities and/or poles if deemed necessary under Construction Contract Work.

- 11. It is understood and agreed that included in the amount payable in Clause 2 above is compensation in full for the actual possession and use of the Temporary Construction Easement for a period of **28 months**. Said period to commence on **March 10**, **2025** and terminate on **July 10**, **2027** At least 48 (forty-eight) hours advance written notice will be given before any entry on Grantor's property.
- 12. It is understood and agreed by and between the parties hereto that payment in Clause 2(A) above includes, but is not limited to, payment for expenses actually incurred by the County of San Bernadino in this transaction.
- 13. In the event this information changes or the property transfers, the owner shall notify the State in writing of such occurrence at:

STATE OF CALFORNIA CALIFORNIA DEPARTMENT OF TRANSPORTATION 464 W. 4th Street, 9th Floor, MS-950 San Bernardino, CA 92401-1400

Attn: Amanda Perez
Office of Right of Way
(909) 518-4492

RIGHT OF WAY CONTRACT - STATE HIGHWAY (Cont.)

RW 8-3 (Rev. 6/95)

In Witne	ss Whe	ereof, the parties have e	xecuted this agr	eemer	nt the day and year first above v	written
Grantor,	-	THE HOUSING AUTHORIT' BODY, CORPORATE AND		Y OF S	AN BERNARDINO, A PUBLIC	
			Ву:		Name. Title	
			Ву:		Name. Title	
RECOM	MENDE	ED FOR APPROVAL:				
As		a Perez e Right of Way Agent				
				_	OF CALIFORNIA RTMENT OF TRANSPORTATION	
				APPR	OVED:	
				Ву:	Anthony Rizzi Senior Right of Way Agent District 8	
		No Obligation Other T	han Those Set Fo	orth Her	ein Will Be Recognized.	

RECORDING REQUESTED BY

When Recorded Mail To

STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION 464 W. 4th STREET, 6th FLOOR SAN BERNARDINO, CA 92401-1400 Attention Record Maps— MS 980

FREE RECORDING:

This instrument is for the benefit of The State of California, and is entitled to be recorded without fee or tax. (Govt. Code 6103, 27383 and Rev. & Tax Code 11922)

APN: 0167-372-04-0000

Space above this line for Recorder's Use

GRANT DEED

District	County	Route	Postmile	Number
08	SBd	38	0.82	25970-1 & 3

THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO, A PUBLIC BODY, CORPORATE AND POLITIC,

a corporation organized and existing under and by virtue of the laws of the State of California,

hereinafter called GRANTOR, hereby grants to the State of California, Department of Transportation, hereinafter called STATE, all that real property in the City of Redlands, County of San Bernardino, State of California, described as follows:

See Exhibit "A" attached.

08-SBd-38-PM 0.82-25970 (25970-1 & 3)

Number		
25970-1 & 3		

The GRANTOR further understands that the present intention of the STATE is to construct and maintain a public highway on the lands hereby conveyed in fee and the GRANTOR, for itself and its successors and assigns, hereby waives any claim for any and all damages to GRANTOR's remaining property contiguous to the property hereby conveyed by reason of the location, construction, landscaping or maintenance of the highway.

Dated:	THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO, A PUBLIC BODY, CORPORATE AND POLITIC
Buteu	Name. Title
	Name. Title
This is to certify that the State of California, acting by an (according to Section 27281 of the Government Code), a described in this deed and consents to its recordation.	
Dated	By
	Director of Transportation
	ByAttorney in Fact
	Attorney in Fact

Number 25970-1 & 3

08-SBd-38-PM 0.82-25970 (25970-1 & 3)

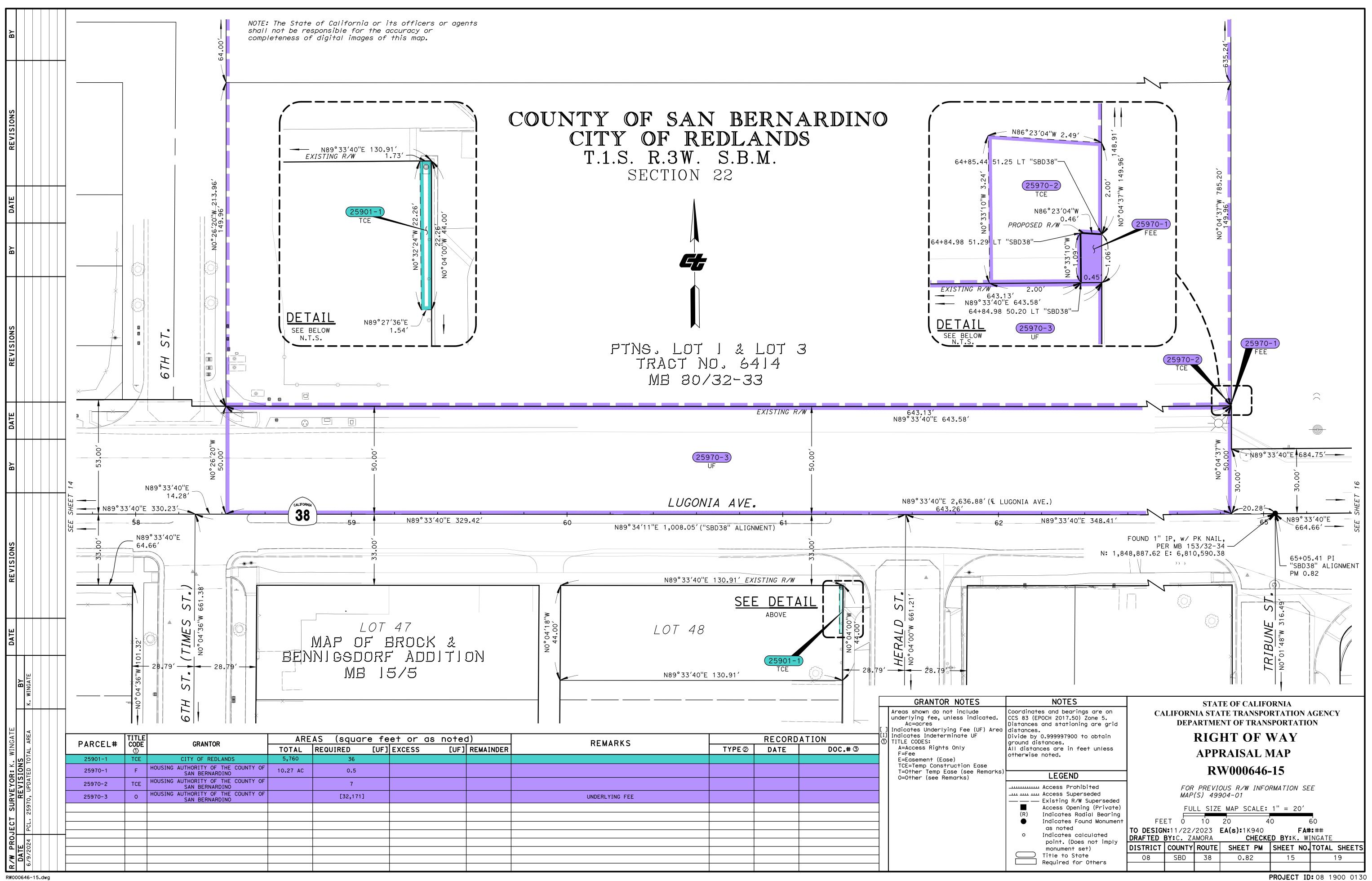


EXHIBIT "A"

Parcel 25970-1

In the City of Redlands, County of San Bernardino, State of California being a portion the land described in the Grant Deed, recorded September 30, 2021, as Document No. 2021-0446094 of Official Records, in the office of the County Recorder of said county, being a portion of Lot 1 of Tract No. 6414, filed in Book 08, Pages 32 and 33 of Maps, in the office of said County Recorder, lying southeasterly of the following described line:

COMMENCING at the southeast corner of the land described in said Grant Deed; thence along the southerly line of said land, also being the northerly right of way line of Lugonia Avenue (50.00 foot half-width) as shown on said tract map, South 89°33'40" West, 0.45 feet to the POINT OF BEGINNING; thence leaving said southerly line North 0°33'10" West, 1.09 feet; thence South 86°23'04" East, 0.46 feet to a point on the easterly line of the land in said Grant deed, being distant northerly along said easterly line 1.06 feet from said southeast corner, said point also being the POINT OF TERMINATION.

Together with underlying fee interest, if any, contiguous to the above-described property in and to the adjoining Lugonia Avenue, lying within the following described land and hereinafter referred to as Parcel 25970-3:

Parcel 25970-3

BEGINNING at the southeast corner of the land described in said Grant Deed; thence along the southerly line of said land, also being the northerly right of way line of said Lugonia Avenue, South 89°33'40" West, 643.58 feet to the southwest corner of said land; thence along the southerly prolongation of the westerly line of said land South 0°26'20" East, 50.00 feet to the centerline of Lugonia Avenue; thence along said centerline, North 89°33'40" East, 643.26 feet to the intersection of said centerline and the southerly prolongation of the easterly line of said land; thence along said southerly

EXHIBIT "A"

prolongation, North 0°04'37" West, 50.00 feet to the southeast corner of said land, said point also being the **POINT OF BEGINNING**.

The bearings and distances used in the above description are on the California Coordinate System of 1983, Zone 5 (Epoch 2017.50). Divide the above distances used in the above description by 0.999997900 to obtain ground level distances.

This real property description has been prepared by me, or under my direction, in conformance with the Professional Land Surveyors' Act.

Signature:

Professional Land Surveyor

Date: 09/05/2024

California Department of Transportation

DISTRICT 8
RIGHT OF WAY DIVISION (MS 950)
464 WEST 4TH STREET, 6TH FLOOR | SAN BERNARDINO, CA 92401-1400
PHONE (213) 310-2524
www.dot.ca.gov/dist8





March 13, 2024

Housing Authority of the County of San Bernardino 715 E Brier Drive

San Bernardino, CA 92408

08 - SBD - 038 PM 0/1.3

Parcel

25970-1, -2, -3

E.A.

1K940

Project#

0819000130

A.R.

25970

To the Housing Authority of the County of San Bernardino:

The California Department of Transportation (Caltrans) proposes to make improvements along State Route 38 (SR-038), in San Bernardino County and in the city of Redlands, starting approximately the intersection of Eureka Street and W Pearl Avenue (PM 0) to the intersection of Occidental Drive and SR-038 (SR 1.3). The project will consist of upgrading pedestrian pathways and sidewalks to meet current Americans with Disabilities Act (ADA) standards via pavement rehabilitation and other upgrades.

A portion of your property at Lugonia Avenue in Redlands, CA 92374, referenced as Assessor's Parcel Number 0167-374-20, is within the project area and is affected by this proposed project.

The Department plans to start appraising the required property immediately. As part of the appraisal process, it will be necessary to perform an inspection of your property to aid in the determination of just compensation. You or your representative may accompany the appraiser on this inspection if you wish to do so. Please call me at (213) 310-2524 to establish a contact phone number, discuss the State's project, and schedule an appointment for the inspection of the property if you wish to do so. I have enclosed an informative booklet titled "Your Property/Your Transportation Project," which will provide you with answers to questions owners frequently ask concerning land acquisition procedures.

All services and/or benefits to be derived from any right of way activity will be administered without regard to race, color, national origin, or sex, in accordance with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d, et seq.) and Section 162(a) of the Federal Highway Act of 1973 (23 U.S.C. 324). Enclosed for your information is a copy of the Title VI Statutes, a copy of the Title VI Discrimination Complaint Form, a copy of the Title VI Survey, which is optional, and a booklet entitled "Caltrans and You," which discusses this requirement.

Housing Authority of the County of San Bernardino March 13, 2024 Page 2

If the acquisition of a portion of your property will leave you with a remnant of land having little market value, the Department will offer to purchase it from you.

This notice does not constitute an offer to purchase your property, nor does it establish the eligibility of the owner and/or any other occupant for relocation assistance or relocation payments. Only those in occupancy at the time of the first written offer to purchase the property may be eligible for relocation payments. Upon completion of the appraisal, a Department representative will contact you for an appointment to discuss the acquisition in detail.

Sincerely,

Daniel Liao Associate Right of Way Agent

Daniel.Liao@dot.ca.gov

Encs.

STATE OF CALIFORNIA • DEPARTMENT OF TRANSPORTATION

RIGHT OF WAY TITLE VI SURVEY

RW 02-01 (REV 06/2018)

PERSONAL INFORMATION NOTICE

Pursuant to the Federal Privacy Act (Section 552, et seq.) and the Information Practices Act of 1977 (IPA) (Civil Code Sections 1798, et seq.), notice is hereby given for the request of personal information by this form. The requested personal information is voluntary. The principal purpose of the voluntary information is to facilitate the processing of this form. The failure to provide all or any part of the requested information may delay processing of this form. No disclosure of personal information will be made unless permissible under Article 6, Section 1798.24 of the IPA of 1977. Each individual has the right upon request and proper identification, to inspect all personal information in any record maintained on the individual by an identifying particular.

Expenditure Authorization (EA) / Project ID

NON-DISCRIMINATION

		NON-DISCINIMATION			
All persons affected by State transportation projects are requested to provide information with regard to race, color, national origin, sex, disability, age or income status. Please check the items below which best describe you and return this form in the enclosed envelope.					
The furnishing of this	information is voluntary.				
Head of household:	Male	Female			
Age:	Under 40	<u>41-65</u>	Over 65		
Race/Ethnicity:	White	American Tribe			
	Black	Pacific Islander			
	Hispanic	Other			
	Asian	Specify:			
Language spoken, if other than English:					
Are you or any member of your household suffering any physical disability or medical condition? Yes No					
Are you a low-income	family? Yes No				
Enclosure					

STATE OF CALIFORNIA • DEPARTMENT OF TRANSPORTATION

TITLE VI AND OTHER DISCRIMINATION COMPLAINT FORM

OCR-0002 (REV 04/2020)

Page 1 of 3

00,1,0002 (1.2.10 1.2.2.2)				
Section I - Applicability				
Name:	Electronic Mail Address:			
Phone Number (Include Area Code):	Work Phone Number (Include Area Code):			
Address:	City, State, Zip:			
Accessible Format Requirements:	Audio Tape Other			
Are you filing this complaint on your own behalf? Yes (Go to Section				
If not, please supply the name and relationship of the person for whom you are complaining:				
Section II - Title VI				
Discrimination Because of:	Other Areas of Discrimination:			
Race Color National Origin	Sex Age Disability Retaliation			
Name and Position of Person(s) That Discriminated Against You:	Location Including City, State, Zip:			
Explain as briefly and clearly as possible what happened, and how y (Month, Day, Year). Indicate all persons who were involved. Be sure t any written material pertaining to your case.	you were discriminated against. Include date of alleged discrimination to describe how other persons were treated differently than you. Attach			

TITLE VI AND OTHER DISCRIMINATION COMPLAINT FORM

OCR-0002 (REV 04/2020)

Page 2 of 3

	en action, or participated in an action, to secure rights protected by these the discrimination alleged above), please explain briefly and clearly the u believe were the basis for the allegation of retaliation.
What remedy or action, do you seek for the alleged discrimination?	
Have you previously filed a complaint with this agency? Yes	□ No
Have you filed, or intend to file, a charge or complaint with the following	
U.S. Equal Employment Opportunity Commission	Federal Highway Administration/U.S. Department of Transportation
Federal or State Court	Federal Transit Administration/U.S. Department of Transportation
Department of Fair Employment and Housing	
If you have already filed a charge or complaint, please provide information	n about a contact person at the agency/court where the complaint was filed.
Name:	Title:
Agency/Court:	Address:
Telephone Number (Including Area Code):	
Date Filed:	
Case Number:	
Date of Trial/Hearing:	
Provide any additional information, including witnesses, that you belie	ve would assist in the investigation.
Signature of Complainant:	Date:
FOR OFFI	ICE USE ONLY
Location: District/Division:	Case:
Date Complaint Received: D	Pate Referred:
Processed by:	
Referred to: USDOT FHWA FTA OTHER	
The state of the s	randing the state of the control of the state of the stat

TITLE VI AND OTHER DISCRIMINATION COMPLAINT FORM

INSTRUCTIONS

Section I

Applicability – The complaint procedures apply to the beneficiaries of Caltrans programs, activities, and services, including but not limited to the public, contractors, subcontractors, consultants, and other sub-recipients of Federal funds.

All complaints must be in writing and signed by the complainant. Complaints must include the complainant's name, address, phone number, and specify all issues and circumstances of the alleged discrimination. In cases where the complainant is incapable of providing a written statement such as limited English proficient or having a disability, the complainant may be assisted in converting the verbal into a written complaint.

Section II

Title VI – Any person who believes he/she has been excluded from participation in or denied benefits or services of any program or activity administered by Caltrans, or its sub-recipients, consultants, and contractors.

Discrimination Because of – Allegations must be based on issues involving race, color, national origin for a Title VI complaint or sex, age, disability, or retaliation.

Filing Options and Time Limits – The use of the complaint form is not mandatory. You may submit your complaint in any form that includes your signature. Title VI discrimination complaints may be filed with Caltrans, the Federal Highway Administration, or other agencies that provide federal financial assistance to Caltrans.

Complaints must be filed no later than 180 days after the date of the alleged act of discrimination or retaliation unless the time for filing is extended. Failure to supply all information may be grounds for rejecting your complaint.

Submit Complaints - The original-signed complaint form or letter is mailed to:

California Department of Transportation Office of Civil Rights Attention: Title VI Branch Manager 1823 14th Street, MS 79 Sacramento, CA 95811

Information - Email: Title.VI@dot.ca.gov

Phone: (916) 324-8379

Website: https://dot.ca.gov/programs/civil-rights/title-vi

PERSONAL INFORMATION NOTICE

Pursuant to the Federal Privacy Act (Section 552 et seq.) and the Information Practices Act of 1977 (IPA) (Civil Code Sections 1798 et seq.), notice is hereby given for the request of personal information by this form. The requested personal information is voluntary. The principal purpose of the voluntary information is to facilitate the processing of this form. The failure to provide all or any part of the requested information may delay processing of this form. No disclosure of personal information will be made unless permissible under Article 6, Section 1798.24 of the IPA of 1977. Each individual has the right upon request and proper identification, to inspect all personal information in any record maintained on the individual by an identifying particular.

NONDISCRIMINATION STATUTES

Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000, provides in Section 601 that:

"No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance." (PROHIBITS DISCRIMINATION IN IMPACTS, SERVICES, AND BENEFITS OF, ACCESS TO, PARTICIPATION IN, AND TREATMENT UNDER A FEDERAL-AID RECIPIENT'S PROGRAMS OR ACTIVITIES)

• The Age Discrimination Act of 1975, as amended 42 U.S.C. 6101, provides:

"No person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance." (PROHIBITS DISCRIMINATION BASED ON AGE)

• The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. 4601, provides:

"For the fair and equitable treatment of persons displaced as direct result of programs or projects undertaken by a Federal agency or with Federal financial assistance." (PROVIDES FOR FAIR TREATMENT OF PERSONS DISPLACED BY FEDERAL AND FEDERAL-AID PROGRAMS AND PROJECTS)

The Federal-aid Highway Act, 49 U.S.C. 306

Outlines the responsibilities of the U.S. Department of Transportation and, at (c) outlines the Secretary's authority to decide whether a recipient has not compiled with applicable Civil Rights statutes or regulations, requires the Secretary to provide notice of the violation, and requires necessary action to ensure compliance.

• The 1973 Federal-aid Highway Act, 23 U.S.C. 324, provides:

"No person shall on the ground of sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal assistance under this Title or carried on under this title." (PROHIBITS DISCRIMINATION ON THE BASIS OF SEX)

TITLE VI OF THE CIVIL RIGHTS ACT OF 1964 AND RELATED STATUTES (Cont.)

The Civil Rights Restoration Act of 1987, P.L. 100-209, provides:

Clarification of the original intent of Congress in Title VI of the 1964 Civil Rights Act, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, and Section 504 of the Rehabilitation Act of 1973. (RESTORES THE BROAD, INSTITUTION-WIDE SCOPE AND COVERAGE OF THE NON-DISCRIMINATION STATUTES TO INCLUDE ALL PROGRAMS AND ACTIVITIES OF FEDERAL-AID RECIPIENTS, SUB-RECIPIENTS AND CONTRACTORS, WHETHER SUCH PROGRAMS AND ACTIVITIES ARE FEDERALLY ASSISTED OR NOT)

• The Uniform Relocation Act Amendments of 1987, P.L. 101-246, provides:

"For fair, uniform, and equitable treatment of all affected persons; ...(and) minimizing the adverse impact of displacement... (to maintain) ...the economic and social well-being of communities; and...to establish a lead agency and allow for State certification and implementation." (UPDATED THE 1970 ACT AND CLARIFIED THE INTENT OF CONGRESS IN PROGRAMS AND PROJECTS WHICH CAUSE DISPLACEMENT)

• The Americans with Disabilities Act, P.L. 101-336, provides:

"No qualified individual with a disability shall, by reason of such disability, be excluded from the participation in, be denied benefits of, or be subjected to discrimination by a department, agency, special purpose district, or other instrumentality of a State or a local government." (PROVIDED ENFORCEABLE STANDARDS TO ADDRESS DISCRIMINATION AGAINST PEOPLE WITH DISABILITIES)

- The Civil Rights Act of 1991, in part, amended Section 1981 of 42 U.S.C. by adding two new sections that provided:
 - "(b) For the purposes of this section, the term 'make and enforce contracts' includes the making, performance, modification, and termination of contracts and the enjoyment of all benefits, privileges, terms, and conditions of the contractual relationship.
 - (c) The rights protected by this section are protected against impairment by non-governmental discrimination and impairment under color of State law."

TITLE VI OF THE CIVIL RIGHTS ACT OF 1964 AND RELATED STATUTES (Cont.)

• Title VIII of the 1968 Civil Rights Act, 42 U.S.C. 3601, provides that:

"(I) It shall be unlawful...to refuse to sell or rent after the making of a bona fide offer, or to refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny a dwelling to any person because of race, color, religion or national origin." (PROHIBITS DISCRIMINATION IN THE SALE OR RENTAL OF HOUSING – HUD is the primary interest agency, but FHWA and States under Title VI are responsible for preventing discrimination in the function of Right-of-Way)

The National Environmental Policy Act of 1969, 42 U.S.C. 4321

Requires the consideration of alternatives, including the "no-build" alternative, consideration of social, environmental and economic impacts, public involvement, and use of a systematic interdisciplinary approach at each decision-making stage of Federal-aid project development.

Title IX of the Education Amendments of 1972

Makes financial assistance available to institutions of higher education to: (1) strengthen, improve and, where necessary, expand the quality of graduate and professional programs leading to an advanced degree; (2) establish, strengthen, and improve programs designed to prepare graduate and professional students for public service; and (3) assist in strengthening undergraduate programs of instruction in certain instances.

• Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. 790, provides that:

"(N)o qualified handicapped person shall, solely by reason of his handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity that receives or benefits from Federal financial assistance." (PROHIBITS DISCRIMINATION BASED ON PHYSICAL OR MENTAL HANDICAP)

Source:

U.S. Department of Transportation

Federal Highway Administration Title VI Handbook

Title VI Nondiscrimination in the Federal-Aid Highway Program

FHWA Publication No. FHWA-HCR-06-006

REPORT/RECOMMENDATION TO THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO AND RECORD OF ACTION

February 18, 2025

FROM

MARIA RAZO, Executive Director, Housing Authority of the County of San Bernardino

SUBJECT

Meeting Minutes for Meeting Held on January 14, 2025

RECOMMENDATION(S)

Approve the meeting minutes for the annual meeting of the Board of Commissioners of the Housing Authority of the County of San Bernardino held on January 14, 2025. (Presenter: Maria Razo, Executive Director, 332-6305)

STRATEGIC PLAN ALIGNMENT

Aspirational Statement #2: To be known as a trusted provider of safe, dignified, and desirable homes and environments that enrich and add value to the community. Aspirational Statement #3: To pursue continued financial stability, monitoring, and accountability as stewards of limited funding.

FINANCIAL IMPACT

Approval of this item will not result in a financial impact to the Housing Authority of the County of San Bernardino (HACSB) as there are no financial impacts associated with this item.

BACKGROUND INFORMATION

The HACSB Board of Commissioners (Board) Meeting took place on January 14, 2025, and attached are the meeting minutes for review and recommended approval by the Board.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on February 12, 2025.

MINUTES OF THE ANNUAL MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO January 14, 2025

The Board of Commissioners of the Housing Authority of the County of San Bernardino met for the annual meeting at the Administration Office, at 715 East Brier Drive, San Bernardino, California at 3:03 p.m. on January 14, 2025.

Details of the meeting discussion can be obtained through the recording of the Board of Commissioners meeting through a Public Records Request submitted in person or through the HACSB website: https://hacsb.com/public-records-request/

1) Call to Order and Roll Call

The meeting was called to order, and upon roll call, the following were present:

Chair-Cooper Vice-Chair MacDuff Commissioner Miller Commissioner Johnson Commissioner Avila

Also in attendance were Rishad Mitha, Deputy Executive Director; Kristin Maithonis, Director of Housing Services; Angie Lardapide, Procurement and Contracts Supervisor; Nicole Beydler, Director of Policy and Communications; Jennifer Dawson, Director of Administrative Services; Shamira Shirley, Management Analyst; Armando Salazar, Management Analyst; George Silva, Family Empowerment Services Manager; and Claudia Hurtado, Executive Assistant.

Also present, was Fred Galante, Legal Counsel to the Housing Authority.

2) Additions or Deletions to the Agenda

Chair Cooper called for additions or deletions to the January 14, 2024, agenda. There were none.

3) General Public Comment

Chair Cooper provided an opportunity for members of the public to address the Board of Commissioners. There were none.

4) Selection of Chair and Vice-Chair

The selection of Chair and Vice-Chair was requested.

Legal Counsel Fred Galante explained the item.

Discussion amongst the Board of Commissioners took place regarding the selection of Chair and Vice-Chair.

Commissioner Johnson nominated Commissioner Cooper for the office of Chair and the nomination was seconded by Commissioner MacDuff. Upon roll call, Ayes, and Nays were as follows:

<u>Ayes</u> <u>Nays</u>

Commissioner Cooper Commissioner MacDuff Commissioner Avila Commissioner Johnson Commissioner Miller

Commissioner Avila nominated Commissioner MacDuff for the office of Vice-Chair and the nomination was seconded by Commissioner Johnson. Upon roll call, the Ayes and Nays were as follows:

<u>Ayes</u> <u>Nays</u>

Commissioner Cooper Commissioner MacDuff Commissioner Avila Commissioner Miller Commissioner Johnson

5) Executive Director's Report

The Executive Director's Report was requested.

Executive Director provided the Executive Director's Report.

Discussion amongst the Board of Commissioners took place regarding the Executive Director's Report for January 14, 2025.

6) Board Building Presentation for January 14, 2025

Discussion calendar item number 6, to receive the board building presentation for January 14, 2025, an update from the Housing Authority of the County of San Bernardino's research and evaluation partner, Loma Linda University, was requested

Executive Director explained the item.

Director of Policy and Communications, Nicole Beydler, further explained the item and introduced the team from Loma Linda University to present the board building presentation.

Discussion amongst the Board of Commissioners took place regarding the discussion calendar item number 6.

7) Resolution No. 206 – Conflict of Interest Code

Discussion calendar item number 7, to Adopt Resolution No. 206 approving an amended Conflict of Interest Code pursuant to the Political Reform Act of 1974, was requested.

Executive Director explained the item.

Commissioner Avila moved to approve discussion calendar item number 7, as recommended by staff and Commissioner Johnson seconded the motion. Upon roll call vote, the Ayes and Nays were as follows:

Nays

Ayes
Chair-Cooper
Vice-Chair MacDuff
Commissioner Miller
Commissioner Johnson
Commissioner Avila

8) Resolution No. 205 – Revision to the Administrative Plan

Discussion calendar item number 8, to adopt resolution No. 205 approving revisions to the Administrative Plan governing the Housing Authority of the County of San Bernardino's rental assistance programs, was requested.

Commissioner Johnson moved to approve discussion calendar item number 8, as recommended by staff and Commissioner Miller seconded the motion. Upon roll call vote, the Ayes and Nays were as follows:

Ayes Nays
Chair-Cooper
Vice-Chair MacDuff
Commissioner Miller
Commissioner Johnson
Commissioner Avila

9) PC 1252 - GovInvest

Discussion calendar item number 9, to 1) Approve amendment No. 4 to contract No. PC 1252, effective February 1, 2025, with GovInvest for Pension and Labor Cost Forecasting increasing the current contract by \$19,975 for a total amount not to exceed \$94,950 through January 31, 2026, and extending the contract term by one year, 2) Authorize and direct the Executive Director to execute and deliver any related documents, and upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction, was requested.

Commissioner Miller moved to approve discussion calendar item number 9, as recommended by staff and Commissioner Avila seconded the motion. Upon roll call vote, the Ayes and Nays were as follows:

Nays

Nays

Ayes
Chair-Cooper
Vice-Chair MacDuff
Commissioner Miller
Commissioner Johnson
Commissioner Avila

10) PC 1292 – Banking Services

Discussion calendar item number 9, to 1) Approve amendment No. 1 to contract No. PC 1292, effective February 1, 2025, with Wells Fargo Bank N.A. for Banking Services increasing the current contract by \$150,493.90 for a total amount not to exceed \$323,203.90 through January 31, 2026, and extending the contract term by one year, 2) Authorize and direct the Executive Director to execute and deliver any related documents, and upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction, was requested.

Commissioner Avila moved to approve discussion calendar item number 10, as recommended by staff and Commissioner Johnson seconded the motion. Upon roll call vote, the Ayes and Nays were as follows:

Ayes
Chair-Cooper
Vice-Chair MacDuff
Commissioner Miller
Commissioner Johnson
Commissioner Avila

11) HAP Extension of PBV

Discussion calendar item number 11, to 1) Approve a contract extension of the Project-Based Voucher Program Housing Assistance Payments Contract with National Community Renaissance of California for 12 Veterans Housing Initiative Program units, for an additional five-year period from March 15, 2026, through March 14, 2031, 2) Authorize and direct the Executive Director to execute and deliver the contract extension to National Community Renaissance of California, and upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction, was requested.

Commissioner Miller moved to approve discussion calendar item number 11, as recommended by staff and Commissioner MacDuff seconded the motion. Upon roll call vote, the Ayes and Nays were as follows:

<u>Ayes</u> <u>Nays</u>

Chair-Cooper Vice-Chair MacDuff Commissioner Miller Commissioner Johnson Commissioner Avila

12, 13, and 14) Consent Calendar

Approval of the consent calendar including agenda item numbers 12-14 was requested.

Commissioner Johnson moved to approve consent calendar agenda item numbers 12-14,

- 12) Approve the meeting minutes for the regular meeting of the Board of Commissioners of the Housing Authority of the County of San Bernardino held on December 10, 2024.
- 13) Approve and file Agency-wide Financial Statements through September 2024.
- 14) Approve vacated tenant accounts for the Authority Owned Portfolio to be written off as collection losses for the month of October 2024.

The motion was duly seconded by Commissioner Avila.

Upon roll call vote, the Ayes and Nays were as follows:

<u>Ayes</u> <u>Nays</u> <u>Abstain</u>

Chair Cooper
Vice-Chair MacDuff
Commissioner Miller
Commissioner Johnson
Commissioner Avila

15) Closed Session Item

General Counsel Fred Galante announced that the board was convening in closed session to discuss the closed session item as described in the closed session portion of the agenda and copied below.

CONFERENCE WITH REAL PROPERTY NEGOTIATOR.

Pursuant to Government Code Section 54956.8 Property: 755 E. Virginia Way, Barstow, CA

Agency Designated Representatives: Rishad Mitha, Deputy Executive Director

Negotiating Parties: Multiple potential buyers

Under Negotiation: Price and terms of potential acquisition

Following closed session board item number 15, General Counsel Fred Galante reported that the board members held a closed session to discuss the item listed on the agenda, and the board unanimously provided direction to staff, with no further reportable action.

Minutes of the Annual Meeting of the Board of Commissioners of the Housing Authority of the County of San Bernardino for January 14, 2025
Page 6

Chair Cooper provided an opportunity for individual board member comments. There were none.

There being no other business, Commissioner Avila moved for the annual meeting of Tuesday, January 14, 2025, to be adjourned, and which motion was duly seconded by Commissioner Johnson. There being no objection to the call for adjournment, the meeting was adjourned by unanimous consent at 4:46 p.m.

Beau Cooper, Chair

Cassie MacDuff, Vice Chair

Tim Johnson

David Avila

Sylvia Miller

Attest:

Secretary

REPORT/RECOMMENDATION TO THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO AND RECORD OF ACTION

February 18, 2025

FROM

MARIA RAZO, Executive Director, Housing Authority of the County of San Bernardino

SUBJECT

Agency-wide Financial Statements through October 2024

RECOMMENDATION(S)

Approve and file Agency-wide Financial Statements through October 2024. (Presenter: Maria Razo, Executive Director, 332-6305)

STRATEGIC PLAN ALIGNMENT

Aspirational Statement #3: To pursue continued financial stability, monitoring, and accountability as stewards of limited funding.

FINANCIAL IMPACT

The Housing Authority of the County of San Bernardino's (HACSB) year-to-date agency-wide net income through October 2024 for Federal Fiscal Year (FFY) 2023-24 is \$80,495. This net gain is currently higher than the budgeted net loss of (\$1,016,419) with a variance of \$1,096,915.

The \$1,096,915 variance between the budgeted and the actual net income is due to the variance of gains and losses to the budget, such as:

- The HCV program received \$1 million more in HAP funding from HUD when compared to the budgeted amount. HACSB expects to receive all HAP funds that were awarded, but the actual funds that are received are based on prior months' HAP expenses. This causes a variance between the amount of funding budgeted, and the amount received.
 - An annual reconciliation between the amount of HAP funding received and the amount that should have been received is performed by HUD and HACSB. This reconciliation determines the difference between the authorized funding amount and the actual funding received.
 - If the authorized funding exceeds the amount that HACSB received, the difference is deposited into a restricted HUD Held Reserve (HHR) account which can be used for future eligible expenses, with HUD's approval.
 - If the funds received by HACSB exceeds the authorized funding amount, a withdrawal is made from HHR.
- Conversely, the HCV program experienced an increase in HAP in the amount of \$600,000.
 This was mainly due to rising rents. Unlike the funding in the HCV program, HAP is not budgeted at a 100% lease rate. It is budgeted based on an estimated lease rate for the year, estimated available funding per federally approved appropriations, and on approved use of restricted HAP HUD held reserves.
- Physical needs work was \$700,000 less than budgeted. This amount is reflected on the
 extraordinary maintenance line on the financial statements and the variance is due to
 delays in projects due to costs.

 Depreciation expenses are not budgeted and amount to \$400,000. This is not a cash transaction and is based on accrual accounting procedures required by GAAP that reduces the value of fixed assets over time. Non-cash transactions like depreciation are important and required as they impact an agency's financial statements, but not its cash flow.

The information provided is based on unaudited information. During the audit process, revenue and expenses are typically adjusted and we expect a material amount of expenses related to the pension and Other Post Employment Benefit (OPEB) plans to be recognized during this process. This will lead to a decrease in the operating net income. The audited financial report will be provided to the Board of Commissioners once the audit process has been completed. The audit process will be completed in late June 2025 for the prior fiscal year which is when the audited financial statements are submitted to HUD.

Financial Summary	FY 2025 YTD
Revenues	\$20,732,626
Expenses	\$(20,239,597)
Operating Net Income/(Loss)	\$493,029
Operating Transfers/Non-Operating Items	\$(412,534)
Net Income/(Loss)	\$80,495

BACKGROUND INFORMATION

HACSB administers multiple housing programs and is the largest provider of affordable housing in the County of San Bernardino. The FFY 2024-25 budget and financial operations continue to support the vision and mission of HACSB and are in line with its Strategic Plan and Moving to Work Annual Plans. Overall, HACSB has demonstrated fiscal stability even through the challenges presented by delays in the federal budget process.

We continue to focus on maintaining the agency's fiscal stability, customer service, innovation, best practices, partnerships that will assist our staff and families, and show a continued passion for our agency's mission.

Based on HUD's guidance to routinely present key information to HACSB's Board of Commissioners, HACSB is presenting the financial statements monthly.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on January 30, 2025.

HACSB Budget Comparison

Period = Oct 2024

	YTD Actual	YTD Budget	Variance	% Var	Annual
INCOME					
TENANT INCOME					
Total Rental Income	2,949,159	2,813,561	135,598	4.82	33,745,895
Total Other Tenant Income	36,288	49,413	-13,126	-26.56	595,147
NET TENANT INCOME	2,985,447	2,862,974	122,473	4.28	34,341,043
GRANT INCOME					
TOTAL GRANT INCOME	17,169,619	16,409,265	760,354	4.63	196,976,041
OTHER INCOME					
TOTAL OTHER INCOME	577,560	637,526	-59,966	-9.41	9,007,913
TOTAL INCOME	20,732,626	19,909,765	822,860	4.13	240,324,996
EXPENSES					
GRANT EXPENSES					
TOTAL GRANT EXPENSES	531,615	831,665	300,050	36.08	10,044,842
ADMINISTRATIVE -					
Total Administrative Salaries	1,368,561	1,510,968	142,407	9.42	18,659,130
Total Legal Expense	15,659	54,052	38,393	71.03	648,657
Total Other Admin Expenses	576,258	736,843	160,585	21.79	8,444,201
Total Miscellaneous Admin Expenses	169,017	256,365	87,348	34.07	3,097,127
TOTAL ADMINISTRATIVE EXPENSES	2,129,495	2,558,229	428,733	16.76	30,849,115
TENANT SERVICES					
TOTAL TENANT SERVICES EXPENSES	1,560	13,738	12,178	88.64	179,867
UTILITIES					
TOTAL UTILITY EXPENSES	234,989	404,000	169,010	41.83	4,839,943
MAINTENANCE AND OPERATIONS					
Total General Maint Expense	353,346	321,190	-32,156	-10.01	3,982,483
Total Materials	164,342	96,652	-67,691	-70.04	1,152,934
Total Contract Costs	508,325	383,820	-124,505	-32.44	4,558,556
TOTAL MAINTENANCE EXPENSES	1,026,012	801,661	-224,351	-27.99	9,693,972
GENERAL EXPENSES					
TOTAL GENERAL EXPENSES	320,450	213,657	-106,793	-49.98	2,394,281
EXTRAORDINARY MAINTENANCE EXPENSES TOTAL EXTRAORDINARY MAINTENANCE EXPENSES	220,443	919,287	698,844	76.02	6,583,396
HOUSING ASSISTANCE PAYMENTS					
TOTAL HOUSING ASSISTANCE PAYMENTS	15,604,974	15,013,001	-591,973	-3.94	180,156,007
FINANCING EXPENSE					
TOTAL FINANCING EXPENSES	170,057	170,947	890	0.52	2,087,990
TOTAL OPERATING EXPENSES	20,239,596	20,926,184	686,588	3.28	246,829,414
-	493,029	-1,016,419	1,509,448	148.51	-6,504,418
OPERATING NET INCOME NET OPERATING TRANSFER IN/OUT NON-OPERATING ITEMS		-1,016,419 0	1,509,448	148.51 N/A	-6,504,418 0
-	493,029				

REPORT/RECOMMENDATION TO THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO AND RECORD OF ACTION

February 18, 2025

FROM

MARIA RAZO, Executive Director, Housing Authority of the County of San Bernardino

SUBJECT

Vacated Tenant Accounts for the Authority Owned Portfolio to be Written Off as Collection Loss for the Month of November 2024

RECOMMENDATION(S)

Approve vacated tenant accounts for the Authority Owned Portfolio to be written off as collection losses for the month of November 2024.

(Presenter: Maria Razo, Executive Director, 332-6305)

STRATEGIC PLAN ALIGNMENT

Aspirational Statement #3: To pursue continued financial stability, monitoring, and accountability as stewards of limited funding.

FINANCIAL IMPACT

The accounts receivable loss for the month ending November 30, 2024, is \$74,382.03. The Housing Authority of the County of San Bernardino (HACSB) projects and anticipates collection losses in its annual budget.

BACKGROUND INFORMATION

On a monthly basis, HACSB records vacated tenant accounts for the Authority Owned Portfolio for the purpose of being written off to collection losses. Authority Owned Portfolio units are owned by HACSB and were either acquired or developed through a variety of partnerships with local governments and/or HACSB's non-profit affiliate Housing Partners I, Inc., and include public housing developments converted through the United States Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) program.

Despite HACSB's efforts to collect the debts listed in the attached reports, it has been determined that such debts are uncollectible. As part of HACSB's standard property management business practices, Board of Commissioners approval is requested to write off these accounts as accounts receivable losses to the Authority Owned Portfolio. Losses during this time period (November 1 – November 30, 2024) are primarily for voluntary move-outs and evictions. The total write-off for the month of November 2024 is \$74,382.03, as delineated in the following table. Attached is a worksheet that itemizes the individual accounts.

SUMMARY FOR HACSB- Authority Owned Properties

PROPERTY	NO. VACATED	TOTAL
481130 - Maplewood Homes	3	651.00
481161- Colton	1	325.00
481170- 7Th St	1	154.00
401 - Wall Ave	1	1,194.00
407 - Sunset Pointe	4	17,268.67
408 - Sunrise Vista	6	13,949.50
409 - Andalusia	0	-
414 - Redwood	1	316.50
423 - Mesa Gardens	0	-
425a - Sequoia	2	9,188.28
425b - Muni	1	37.00
426 - Sunnyside	1	530.00
428 - Charlemagne	0	-
434b - Brockton	1	427.00
437 - Sunset Gardens	0	-
467 - Hillcrest	1	5,397.00
490 - Northport	0	3,600.00
Concessions Write Off	0	-
TOTAL RENT WRITE OFF	23	53,037.95
Miscellaneous Charges		234.67
Maintenance Charges		25,838.91
Legal Charges		10,000.50
Security Deposits Applied		(14,730.00)
NET TOTAL WRITE OFF		74,382.03

Vacated Tenant Accounts for the Authority Owned Portfolio to be Written Off as Collection Loss for the Month of November 2024 February 18, 2025

PROCUREMENT

Not applicable

<u>REVIEW BY OTHERS</u>
This item has been reviewed by General Legal Counsel, Fred Galante, on January 30, 2025.

COLLECTION WRITE-OFFS - Authority Owned Portfolio

		E. O.	ID N	DEAGON	MONTHLY	UNPAID RENT (*)	CONC. REVERSAL	UNPAID MISC (*)	MAINT. FEES	LEGAL FEES	TOTAL OWED	LESS DEPOSIT	NET DUE	
Item #	Last Name	First Name	ID No.	REASON	RENT	RENI()	REVERSAL	MISC ()	LEE2	FEE2	OWED	DEPOSIT	DUE	
481130 - Maplewood	d Homes 1 T	Тв		D	125.00	118.00			490.00		608.00	П	608.00	
	1 1 2 R	С		S	464.00	479.00		50.00	455.00		984.00	950.00	34.00	
	3 P	K			272.00	54.00		30.00	1,825.71		1,879.71	705.00	1,174.71	
	<u>~ </u> .			'	TOTALS:	651.00	_	50.00	2,770.71		3,471.71	1,655.00	1,816.71	
					Date	Response		00.00	_,		- ,	1,000.00	.,	
		Date Notice	Posted or	Date File	Attorney	Filed by								
Item #	Type of Notice	Served	Hand	Sent to	Filed in	Tenant		Court Date	L	ock Out Date		Vaca	ite Date	
		00.700	Delivered	Attorney	Court	(Y or N)								
,	1 Skipped - No Notice	N/A	N/A	N/A	N/A	N		N/A		N/A		10/	31/24	
	2 Skipped - No Notice	N/A	N/A	N/A	N/A	N		N/A		N/A		11/01/24		
;	Notice to Quit	10/05/24	Posted									11/06/24		
481161- Colton														
•	1 K	J		Т	510.00	325.00		50.00	846.55		1,221.55	1,000.00	221.55	
					TOTALS:	325.00	-	50.00	846.55	•	1,221.55	1,000.00	221.55	
			Posted or	Date File	Date	Response								
Item #	Type of Notice	Date Notice Served	Hand	Sent to	Attorney	Filed by		Court Date	1.	ock Out Date		Vaca	ate Date	
item#	Type of Notice			Attorney	Filed in	Tenant		Court Date		ock Out Date		Vadato Bato		
				•	Court	(Y or N)								
•	Notice to Quit	09/06/24	Posted	N/A								11/13/24		
481170- 7Th st														
•	1 R	М		V	\$255	154.00			2,395.34		2,549.34	874.00	1,675.34	
					TOTALS:	154.00	-	-	2,395.34	-	2,549.34	874.00	1,675.34	
		Date Notice	Posted or	Date File	Date	Response								
Item #	Type of Notice		Hand	Sent to	Attorney	Filed by		Court Date	1.	ock Out Date		Vaca	ate Date	
item #	Type of Notice	Served	Delivered	Attorney	Filed in	Tenant		Court Date	_	Lock Out Date		Vacc	no Daio	
			Delivered	Automey	Court	(Y or N)								
	Notice of Intent to Vacate											11/	05/24	
401 - Wall Ave	110	Ic		F	1,050.00	1,194.00			404.00	1,500.00	3,098.00	400.00	2,698.00	
	1 C	С		Е								400.00		
					TOTALS:	1,194.00	-	-	404.00	1,500.00	3,098.00	400.00	2,698.00	
			Posted or	Date File	Date	Response								
Item #	Type of Notice	Date Notice	Hand	Sent to	Attorney	Filed by		Court Date	Lock Out Date			Vaca	ate Date	
	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	Served	Delivered	Attorney	Filed in	Tenant		220.124.0						
	A Neder Tr. T	00/00/04			Court	(Y or N)		N1/A	Managera	ale mane '	44/00/04	4.4	100/04	
	Notice Term Tenancy	08/26/24	Posted	08/23/24	10/29/24	N		N/A	ivianager too	ok possessior	1 11/08/24	11/	08/24	

11/30/24

Month End:

COLLECTION WRITE-OFFS - Authority Owned Portfolio

Item #	Last Name	First Name	ID No.	REASON	MONTHLY RENT	UNPAID RENT (*)	CONC. REVERSAL	UNPAID MISC (*)	MAINT. FEES	LEGAL FEES	TOTAL OWED	LESS DEPOSIT	NET DUE
407 - Sunset Pointe													
	1 M	В			1				(1,208.52)		(1,208.52)		(1,208.52)
2	2 E	Т		E	875.00	6,795.67		222.17	2,646.00	95.00	9,758.84	875.00	8,883.84
	3 V	R		S	1,400.00	248.00			861.00		1,109.00	375.00	734.00
4	4 G	V		E	1,200.00	5,568.00			961.00	1,340.00	7,869.00	700.00	7,169.00
	5 H	Α		E	875.00	4,657.00			891.00	270.00	5,818.00	400.00	5,418.00
	- I	17.		_	TOTALS:	17,268.67	-	222.17	4,150.48	1,705.00	23,346.32	2,350.00	20,996.32
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lo	Lock Out Date			ate Date
1	Collection on bad debt 3 Day Notice	09/18/24	Posted	10/10/24	11/07/24	N	ı	NA	turned in	kovo to ovoje	doourt	11	/19/24
3	<u> </u>	09/10/24	rusieu	10/10/24	11/01/24	IN		INA	turnea in	turned in keys to avoid court			/04/24
	3 Day Notice	10/09/24	Posted	10/30/24	NA				turned in k	eys to avoid	11/18/24		
5	3 Day Notice	09/18/24	Posted	10/10/24	NA				turned in k	eys to avoid	eviction	11/01/24	
408 - Sunrise Vista	410	Tr.			T				(444.04)		(444.04)		(444.04)
	1 C 2 S	A		E	997.00	6,243.00			(441.61) 1,526.96	1,500.00	(441.61) 9,269.96	1,097.00	(441.61) 8,172.96
	3 C	M		V	1,400.00	-			556.00	1,500.00	556.00	100.00	456.00
	4 R	S		E	997.00	5,389.00			985.64	1,500.00	7,874.64	600.00	7,274.64
	5 R	T		V	997.00	857.00		75.00	1,603.96		2,535.96	997.00	1,538.96
	6 D	K		E	997.00	1,370.00			460.00	1,500.00	3,330.00	400.00	2,930.00
7	7 D	D		V	1,400.00	90.50		(237.50)	977.00		830.00	600.00	230.00
					TOTALS:	13,949.50	-	(162.50)	5,667.95	4,500.00	23,954.95	3,794.00	20,160.95
ltem #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lo	Lock Out Date		Vacate Date	
1	Collection on bad debt												
2	2 3 Day Notice	07/19/24	Posted	07/22/24	08/29/24	No		NA		10/29/24		10	/29/24
3	Notice to Vacate	10/15/24										11	/15/24
4	3 Day Notice	07/29/24	Posted	08/07/24	08/30/24	No		NA		11/05/24		11	/05/24
	Notice to Vacate	10/15/24										10	/28/24
	3 Day Notice	07/22/24	Posted	07/22/24	08/27/24	09/11/24		10/03/24		11/05/24			/05/24
7	Notice to Vacate	08/22/24										11	/23/24

Month End:

11/30/24

COLLECTION WRITE-OFFS - Authority Owned Portfolio

					MONTHLY	UNPAID	CONC.	UNPAID	MAINT.	LEGAL	TOTAL	LESS	NET	
Item #	Last Name	First Name	ID No.	REASON	RENT		REVERSAL	MISC (*)	FEES	FEES	OWED	DEPOSIT	DUE	
409 - Andalusia														
	1 R	Р								(5.00)	(5.00)		(5.00)	
	•	•			TOTALS:	-	-	-	-	(5.00)	(5.00)	-	(5.00)	
			Posted or	Date File	Date	Response								
Item #	Type of Notice	Date Notice	Hand	Sent to	Attorney	Filed by		Court Date	L	ock Out Date		Vaca	te Date	
	31	Served	Delivered	Attorney	Filed in Court	Tenant (Y or N)								
	1 Adjustment to previous month	write off			Court	(1 01 14)								
	The region was to provide the manual													
414 - Redwood														
	1 P	J		V	1,650.00	316.50	-		179.00		495.50	225.00	270.50	
					TOTALS:	316.50	-	-	179.00	-	495.50	225.00	270.50	
			Posted or	Date File	Date	Response								
Item #	Type of Notice	Date Notice Served	Hand	Sent to	Attorney	Filed by	Court Date	Lock Out Date			Vacate Date			
	31		Delivered	Attorney	Filed in Court	Tenant (Y or N)								
	1 Intent to Vacate	10/25/24			Court	(1 01 14)					11/14/24			
	I ment to vacate	10/20/24										11/14/24		
423 - Mesa Garde	one													
423 - Wesa Garde	1 R	Iw			T		I	1	(50.00)	T	(50.00)	Т	(50.00)	
					TOTALS:		-	_	(50.00)	-	(50.00)	-	(50.00)	
			5	D . E''	Date	Response			, ,		, ,			
Item #	Type of Notice	Date Notice	Posted or Date File Hand Sent to		Attorney	Filed by		Court Date	Lock Out Date			Vacate Date		
item#	Type of Notice	Served	Delivered	Attorney	Filed in	Tenant		Court Date	_	ock Out Date		vaca	ie Daie	
	1 Payment on bad debt			· ····································	Court	(Y or N)								
	The ayment on bad debt													
425a - Sequoia														
- Jose Coqueia	1	IM		Е	1,250.00	5,328.28			1,880.09	1,500.00	8,708.37	1,000.00	7,708.37	
	2 M	Δ		E	800.00	3,860.00			77.00	1,045.00	4,982.00	400.00	4,582.00	
	2 101	1//		L	TOTALS:	9,188.28	_	_	1,957.09	2,545.00	13,690.37	1,400.00	12,290.37	
					Date	Response			.,5566	2,0 .0.50	. 0,000.07	.,	. 2,200.07	
					Attorney Filed by					V . 5 .				
lto #	Tune of Nation	Date Notice	Posted or	Date File		Filed by		Carret Data	1	ook Out Data		\/000	to Doto	
Item #	Type of Notice	Date Notice Served			Attorney Filed in	Filed by Tenant		Court Date	L	ock Out Date		Vaca	te Date	
Item #	Type of Notice		Delivered	Date File Sent to Attorney	Attorney			Court Date	L	ock Out Date		Vaca	te Date	
Item #		Served	Delivered Posted	Attorney	Attorney Filed in Court	Tenant (Y or N)			L					
Item #	Type of Notice 1 3 Day Pay or Quit		Delivered		Attorney Filed in	Tenant		Court Date	L	11/06/24			nte Date 06/24	

11/30/24

Month End:

COLLECTION WRITE-OFFS - Authority Owned Portfolio

					MONTHLY	UNPAID	CONC.	UNPAID	MAINT.	LEGAL	TOTAL	LESS	NET
Item #	Last Name	First Name	ID No.	REASON	RENT	RENT (*)	REVERSAL	MISC (*)	FEES	FEES	OWED	DEPOSIT	DUE
25b - Muni	•						•						
	1 R	R		V	1,400.00	37.00	Ι		1,547.00		1,584.00	400.00	1,184.00
				•	TOTALS:	37.00	_	_	1,547.00	-	1,584.00	400.00	1,184.00
					Date	Response			.,		1,001100		
		Date Notice	Posted or	Date File	Attorney	Filed by							
Item #	Type of Notice	Served	Hand	Sent to	Filed in	Tenant		Court Date	L	ock Out Date		Vacate Date	
			Delivered	Attorney	Court	(Y or N)							
	1 Intent to Vacate	07/20/24									10/31/24		
6 - Sunnyside													
	1 A	С		V	1,767.00	530.00		75.00	2,885.79		3,490.79	800.00	2,690.7
					TOTALS:	530.00	-	75.00	2,885.79	-	3,490.79	800.00	2,690.7
			_		Date	Response			·		-	L	
b	Tuna of Nation	Date Notice	Posted or	Date File	Attorney	Filed by		Court Date			Vacate Date		
Item #	Type of Notice	Served	Hand	Sent to	Filed in	Tenant			Lock Out Date			vacate Date	
			Delivered	Attorney	Court	(Y or N)							
,	1 Intent to Vacate	10/29/24										11/09/24	
													,
8 - Charlemagne													
	1 G	С							(285.00)		(285.00)		(285.00
					TOTALS:	-	-	-	(285.00)		(285.00)	-	(285.00
			Б	D . E	Date	Response							
14 11	Towns of Niedlan	Date Notice	Posted or	Date File	Attorney	Filed by		O D1	1 10 10 1			Vacate Date	
Item #	Type of Notice	Served	Hand	Sent to	Filed in	Tenant		Court Date	L	ock Out Date		vaca	te Date
			Delivered	Attorney	Court	(Y or N)							
	1 Payment on bad debt	•			•	•	•				•		
•													
4b - Brockton													
	1 C	R		S	1,600.00	427.00			2,070.00		2,497.00	1,200.00	1,297.0
					TOTALS:	427.00	-	-	2,070.00	-	2,497.00	1,200.00	1,297.0
			Deeted - "	Data File	Date	Response			•				
14 //	Towns of Notice	Date Notice Posted or Date File			Attorney	Filed by			1 10 12 1			\/	ta Data
Item #	Type of Notice	Served	Hand	Sent to	Filed in	Tenant		Court Date	L	ock Out Date		vaca	ate Date
			Delivered	Attorney	Court	(Y or N)							
	1 Skin											11/	/08/24

11/30/24

Month End:

COLLECTION WRITE-OFFS - Authority Owned Portfolio

					MONTHLY	UNPAID	CONC.	UNPAID	MAINT.	LEGAL	TOTAL	LESS	NET
Item #	Last Name	First Name	ID No.	REASON	RENT	RENT (*)	REVERSAL		FEES	FEES	OWED	DEPOSIT	DUE
7 - Sunset Garden	S												
	S	D					-	<u> </u>	(500.00)		(500.00)		(500.0
	! K	М					-		Ì	(62.50)	(62.50)		(62.5
					TOTALS:	-	-	-	(500.00)	(62.50)	(562.50)	-	(562.5
Item#	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lo	ock Out Date		Vacate Date	
1	Payment on bad debt												
2	Adjustment to previous month	write off											
7 - Hillcrest													
1	L	G		E	801.00	5,397.00			1,800.00	1,500.00	8,697.00	632.00	8,065.0
					TOTALS:	5,397.00	-	-	1,800.00	1,500.00	8,697.00	632.00	8,065.0
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date			Vacate Date	
1	3 Day Pay or Quit	07/17/24	Posted	08/17/24	08/27/24	N		N/A		11/21/24		11/21/24	
0 - Northport													
	F	S				3,600.00					3,600.00		3,600.0
	F	K								(520.00)	(520.00)		(520.0
	D	S								(1,012.00)	(1,012.00)		(1,012.0
4	S	M								(150.00)	(150.00)		(150.0
					TOTALS:	3,600.00	•	-	-	(1,682.00)	1,918.00	-	1,918.0
Item#	Type of Notice	Date Notice Served	Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date			Vacate Date	
1	Adjustment to previous month	write off, correct	ctions for mis	ssing rent charges									
2	Adjustment to previous month	write off											
3	Adjustment to previous month	write off											
4	Adjustment to previous month	write off											

ALL PROPERTY TOTALS: 53,037.95

74,382.03

11/30/24

Month End:

25,838.91 10,000.50 89,112.03 14,730.00

234.67