



SHASTA COUNTY

BOARD OF SUPERVISORS

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Redding, California 96001-1673
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(800) 479-8009
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Supervisor Joe Chimenti, District 1
Supervisor Leonard Moty, District 2
Supervisor Mary Rickert, District 3
Supervisor Steve Morgan, District 4
Supervisor Les Baugh, District 5

AGENDA

REGULAR MEETING OF THE BOARD OF SUPERVISORS

Tuesday, September 10, 2019, 9:00 AM

The Board of Supervisors welcomes you to its meetings which are regularly scheduled for each Tuesday at 9:00 a.m. in the Board of Supervisors Chambers on the second floor of the Shasta County Administration Center, 1450 Court Street, Suite 263, Redding, California. Your interest is encouraged and appreciated.

The agenda is divided into two sections: **CONSENT CALENDAR:** These matters include routine financial and administrative actions and are usually approved by a single majority vote. **REGULAR CALENDAR:** These items include significant financial, policy, and administrative actions and are classified by program areas. The regular calendar also includes "Scheduled Hearings," which are noticed hearings and public hearings, and any items not on the consent calendar.

TO ADDRESS THE BOARD: Members of the public may directly address the Board of Supervisors on any agenda item on the regular calendar before or during the Board's consideration of the item. In addition, the Board of Supervisors provides the members of the public with a Public Comment-Open Time period, where the public may address the Board on any agenda item on the consent calendar before the Board's consideration of the items on the consent calendar and may address the Board on any matter not listed on the agenda that is within the subject matter jurisdiction of the Board of Supervisors. Pursuant to the Brown Act (Govt. Code section 54950, et seq.), **Board action or discussion cannot be taken** on non-agenda matters, but the Board may briefly respond to statements or questions and, if deemed necessary, refer the subject matter to the appropriate department for follow-up and/or to schedule the matter on a subsequent Board Agenda.

Persons wishing to address the Board are requested to fill out a Speaker Request Form and provide it to the Clerk before the meeting begins. Speaker Request Forms are available at the following locations: (1) online at http://www.co.shasta.ca.us/BOS/docs/Request_to_talk.pdf, (2) from the Clerk of the Board on the third floor of 1450 Court Street, Suite 308B, Redding, and (3) in the back of the Board of Supervisors Chambers. If you have documents to present for the members of the Board of Supervisors to review, please provide a minimum of ten copies. When addressing the Board, please approach the rostrum, and after receiving recognition from the Chairman, give your name and comments. Each speaker is allocated three minutes to speak. **Comments should be limited to matters within the subject matter jurisdiction of the Board.**

CALL TO ORDER

Invocation: Pastor Jim Jarrett, Calvary Chapel

Pledge of Allegiance: Supervisor Baugh

REGULAR CALENDAR

Members of the public may directly address the Board of Supervisors on any agenda item on the regular calendar before or during the Board's consideration of the item. Persons wishing to address the Board are requested to fill out a Speaker Request Form prior to the beginning of the meeting (forms are available from the Clerk of the Board, 1450 Court Street, Suite 308B, Redding, or in the back of the Board of Supervisors Chambers). If you have documents to present for the members of the Board of Supervisors to review, please provide a minimum of ten copies. Each speaker is allocated three minutes to speak.

BOARD MATTERS

R 1 Board Matters

Adopt a resolution which recognizes Shasta County Child Support Services Department, Child Support Specialist III, Ashley Saelee as Shasta County's Employee of the Month for September 2019.

No Additional General Fund Impact

Simple Majority Vote

PUBLIC COMMENT PERIOD - OPEN TIME

During the Public Comment Open Time period, the public may address the Board on any agenda item on the consent calendar and may address the Board on any matter not listed on the agenda that is within the subject matter jurisdiction of the Board of Supervisors. Persons wishing to address the Board during Public Comment Open Time are requested to fill out a Speaker Request Form and, if you have documents to present to the Board of Supervisors, please provide a minimum of ten copies.

CONSENT CALENDAR

The following Consent Calendar items are expected to be routine and non-controversial. They may be acted upon by the Board at one time without discussion. Any Board member or staff member may request that an item be removed from the Consent Calendar for discussion and consideration. Members of the public may comment on any item on the Consent Calendar during the Public Comment Period - Open Time, which shall precede the Consent Calendar.

GENERAL GOVERNMENT

C 1 Administrative Office

Approve and authorize the Chairman to sign an amendment, effective date of signing, to the Loan Agreement and Promissory Note Secured by Deed of Trust with the Veterans Housing Development Corporation to provide predevelopment financing for the Shasta Lake Villages housing project which extends the term of the loan and establishes a new maturity date from May 7, 2019 to June 1, 2020, and retains the loan amount of \$248,000.

No Additional General Fund Impact

Simple Majority Vote

provide election software and support services for the period July 1, 2019 through June 30, 2021, with two automatic one-year renewals.

No Additional General Fund Impact

Simple Majority Vote

HEALTH AND HUMAN SERVICES

C 9 Health and Human Services Agency-Adult Services

Approve and authorize the Chairman to sign a retroactive renewal agreement with North Valley Behavioral Health, LLC in an amount not to exceed \$2,000,000 to provide inpatient psychiatric services for the period July 1, 2019 through June 30, 2022.

No Additional General Fund Impact

Simple Majority Vote

C 10 Health and Human Services Agency-Adult Services

Approve and authorize the Chairman to sign retroactive renewal agreements with two Federally Qualified Health Centers located in Shasta County to provide outpatient mental health services for the period July 1, 2019 through June 30, 2022: (1) Mountain Valleys Health Centers in an amount not to exceed \$270,608.30; and (2) Shingletown Medical Center in an amount not to exceed \$318,362.70.

No General Fund Impact

Simple Majority Vote

C 11 Health and Human Services Agency-Adult Services

Take the following actions regarding the evergreen Partnership HealthPlan of California agreement with no maximum compensation for the coordination and provision of Medi-Cal services in Shasta County: (1) Ratify the Branch Director's signature on the first amendment effective December 4, 2014 which added pediatric immunizations and vaccination services; (2) ratify the Health and Human Services Agency Director's signature on the second amendment effective January 6, 2016 which added supplemental substance abuse benefits; and (3) approve and authorize the Chairman to sign a retroactive amendment, effective July 1, 2019, which replaces Attachment D, Supplemental Substance Abuse Benefit Description, to add alcohol and drug treatment and prevention services, retaining the effective date September 1, 2013.

No Additional General Fund Impact

Simple Majority Vote

C 12 Health and Human Services Agency-Office of the Director

Ratify the Health and Human Services Agency Director's signature on a subordination agreement with California Housing Finance Agency (Cal HFA), effective August 27, 2019, to allow County's Mental Health Services Act loan documents priority over Cal HFA loan documents for the Woodlands II permanent supportive housing project.

No General Fund Impact

Simple Majority Vote

C 13 Health and Human Services Agency-Regional Services

Approve and authorize the: (1) Chairman to sign: (a) a renewal agreement, Number 19-10189, with the California Department of Public Health (CDPH) in an amount not to exceed \$5,412,066 to continue funding for the operation of the Women, Infants, and Children (WIC) Supplemental Nutrition Program for the period October 1, 2019 through September 30, 2022; (b) the California Civil Rights Laws Attachment (CDG OLS 04); and (c) the Contractor Certification Clause (CCC 04/2017); and (2) Health and Human Services Agency (HHSA) Director, or any HHSA Branch Director designated by the HHSA Director, to sign amendments, including retroactive, and other related documents that do not result in a change of more than fifteen percent of the maximum amount payable under this agreement, and to execute the CDPH Contractor's release form at the end of the contract term.

No Additional General Fund Impact Simple Majority Vote

C 14 Housing and Community Action Programs

Approve and authorize the Chairman to sign a subrecipient agreement with Training, Employment, & Community Help, Inc. in an amount not to exceed \$22,260.82 utilizing Homeless Emergency Aid Program (HEAP) funding for Capital Improvements for the period July 1, 2019 through June 30, 2021.

No Additional General Fund Impact Simple Majority Vote

LAW AND JUSTICE

C 15 District Attorney

Approve and authorize the Chairman to sign a retroactive evergreen agreement with Lexipol, LLC in an annual advance payment amount of \$13,242 (subject to modification in future years) for the subscription of Law Enforcement Policy Manual, updates, and support, effective August 1, 2019.

No Additional General Fund Impact Simple Majority Vote

C 16 District Attorney

Approve and authorize the Chairman to sign a retroactive amendment to the Community Prosecution Program Memorandum of Understanding with the City of Redding to provide funding in the amount of \$200,000 (\$100,000 from the City of Redding and \$100,000 from the County) and extend the term to June 30, 2020.

No Additional General Fund Impact Simple Majority Vote

PUBLIC WORKS

C 17 Public Works

Approve a budget amendment decreasing appropriations in the amount of \$2,285,000 within the Roads budget.

No General Fund Impact 4/5 Vote

C 18 Public Works

Approve and authorize the Public Works Director to sign a Notice of Completion for the “Olinda Road Cycle 5 Widening Project,” Contract No. 702977, and record it within 15 days of actual completion.

No General Fund Impact

Simple Majority Vote

C 19 Public Works

Approve and authorize the Public Works Director to sign a Notice of Completion for the “Guardrail Repair (Creek Fire) Project,” Contract No. 704045, and record it within 15 days of actual completion.

No General Fund Impact

Simple Majority Vote

C 20 Public Works

County Service Area No. 17-Cottonwood

On behalf of County Service Area (CSA) 17-Cottonwood Sewer, take the following actions: (1) Award to the lowest responsive and responsible bidder, Gateway Pacific Contractors, Inc., on a unit cost basis for the base bid, the contract for construction of the “Wastewater Treatment Plant Improvement Project,” Contract No. 610498, in the amount of \$4,758,782; and (2) adopt a resolution which authorizes the General Fund to fund project expenditures when the CSA No. 17-Cottonwood Sewer Admin Fund is in a negative cash position pursuant to Government Code Section 25214.3.

General Fund Impact

Simple Majority Vote

REGULAR CALENDAR, CONTINUED

GENERAL GOVERNMENT

R 2 Administrative Office

(1) Receive a legislative update and consider action on specific legislation related to Shasta County’s legislative platform; and (2) receive Supervisors’ reports on countywide issues.

No General Fund Impact

No Vote

SCHEDULED HEARINGS

A court challenge to action taken by the Board of Supervisors on any project or decision may be limited to only those issues raised during the public hearing or in written correspondence delivered to the Board of Supervisors during, or prior to, the scheduled public hearing.

GENERAL GOVERNMENT

R 3 County Counsel

Take the following actions regarding a Special Public Safety Transactions and Use Tax: (1) Receive an update from the County Counsel regarding a special transactions and use tax to support public safety purposes; (2) open the public

hearing; (3) close the public hearing; (4) introduce, waive the reading, and enact an ordinance (the "Ordinance") to adopt a special transactions and use tax in an amount not to exceed one percent (1%) to be used for funding public safety purposes in the unincorporated and incorporated areas of the County of Shasta, to be effective upon approval by a two-thirds vote of the qualified electors casting votes; (5) adopt a resolution (the "Resolution") which: (a) calls for an election and placing the Ordinance on the ballot for the March 3, 2020 Primary Election for the purpose of enabling voters to approve or reject the Ordinance; and (b) provides additional direction and instruction related to the conduct of the election; and (6) find that the Ordinance and Resolution are not subject to the California Environmental Quality Act for the reasons stated in the Ordinance and Resolution.

General Fund Impact

2/3 Vote

CLOSED SESSION ANNOUNCEMENT

R 4 The Board of Supervisors will recess to a Closed Session to discuss the following items (Est. 15 minutes):

PUBLIC EMPLOYMENT

(Government Code section 54957)

Title: County Executive Officer

At the conclusion of the Closed Session, reportable action, if any, will be reported in Open Session.

RECESS

REPORT OF CLOSED SESSION ACTIONS

ADJOURN

REMINDERS

Date:	Time:	Event:	Location:
09/12/2019	2:00 p.m.	Planning Commission Meeting	Board Chambers
09/17/2019	9:00 a.m.	Board of Supervisors Meeting	Board Chambers
09/24/2019		<i>No Board of Supervisors Meeting Scheduled</i>	
10/01/2019	8:30 a.m.	Air Pollution Control Board Meeting	Board Chambers
10/01/2019	9:00 a.m.	Board of Supervisors Meeting	Board Chambers
10/08/2019		<i>No Board of Supervisors Meeting Scheduled</i>	
10/10/2019	2:00 p.m.	Planning Commission Meeting	Board Chambers
10/15/2019	9:00 a.m.	Board of Supervisors Meeting	Board Chambers

COMMUNICATIONS received by the Board of Supervisors are on file and available for review in the Clerk of the Board's Office.

The County of Shasta does not discriminate on the basis of disability in admission to, access to, or operation of its buildings, facilities, programs, services, or activities. The County does not discriminate on the basis of disability in its hiring or employment practices. Questions, complaints, or requests for additional information regarding the Americans with Disabilities Act (ADA) may be forwarded to the County's ADA Coordinator: Director of Support Services Angela Davis, County of Shasta, 1450 Court Street, Room 348, Redding, CA 96001-1676, Phone: (530) 225-5515, California Relay Service: (800) 735-2922, Fax: (530) 225-5345, E-mail: adacoordinator@co.shasta.ca.us. Individuals with disabilities who need auxiliary aids and/or services for effective communication in the County's programs and services are invited to make their needs and preferences known to the affected department or the ADA Coordinator. For aids or services needed for effective communication during Board of Supervisors meetings, please call Clerk of the Board (530) 225-5550 two business days before the meeting. This notice is available in accessible alternate formats from the affected department or the ADA Coordinator. Accommodations may include, but are not limited to, interpreters, assistive listening devices, accessible seating, or documentation in an alternate format.

The Board of Supervisors meetings are viewable on Shasta County's website at www.co.shasta.ca.us.

Public records which relate to any of the matters on this agenda (except Closed Session items), and which have been distributed to the members of the Board, are available for public inspection at the office of the Clerk of the Board of Supervisors, 1450 Court Street, Suite 308B, Redding, CA 96001-1673.

This document and other Board of Supervisors documents are available online at www.co.shasta.ca.us.

REPORT TO SHASTA COUNTY BOARD OF SUPERVISORS

BOARD MEETING DATE: September 10, 2019

CATEGORY: BOARD MATTERS-1.

SUBJECT:

Shasta County Employee Recognition Program Employee of the Month for September 2019.

DEPARTMENT: Board Matters

Supervisory District No. : All

DEPARTMENT CONTACT: Alene Eddy, Executive Assistant-Conf. 530-225-5120

STAFF REPORT APPROVED BY: Angela Davis, Director

Vote Required?	General Fund Impact?
Simple Majority Vote	No Additional General Fund Impact

RECOMMENDATION

Adopt a resolution which recognizes Shasta County Child Support Services Department, Child Support Specialist III, Ashley Saelee as Shasta County's Employee of the Month for September 2019.

SUMMARY

The Shasta County Employee Recognition Committee meets on a regular basis to screen nominees for the Employee of the Month Program. After reviewing nominations, the Employee Recognition Committee is recommending for Board recognition and approval, the Employee of the Month for September 2019.

DISCUSSION

Shasta County is fortunate to have many exemplary employees. On a daily basis, their dedication, integrity, creativity, and professionalism are called upon to maintain the high quality of local public services enjoyed by the citizens of Shasta County. Their jobs are becoming more challenging as public expectations of service and demands for increased efficiency escalate. In this environment, it is important that we recognize those employees who set the standard of excellence and dedication for the entire organization. Their contribution deserves the thanks and appreciation of the entire County family and the citizens of the community.

In this spirit, the Board is being asked to recognize the Employee of the Month who has been nominated by the Employee Recognition Committee. This nomination is based on a review of all nominations using the selection criteria provided for in the Employee Recognition Policy. It is the recommendation of the Employee Recognition Committee that Ashley Saelee, Child Support Specialist III, Shasta County Child Support Services Department, be recognized as the September 2019 Employee of the Month.

Ms. Saelee participated in the Leadership Program in 2018 and co-created the Effective Communication with Case Participants Training. This training has been provided to all staff and continues to be provided in both the New Hire and Regional Staff Trainings.

Ms. Saelee is an effective communicator and has shown how smoothly she can transition into the role of Lead on an assignment. She is not only a great asset to her team but is a great asset to the office as well.

ALTERNATIVES

No other alternatives are recommended.

OTHER AGENCY INVOLVEMENT

The Employee Recognition Program was developed and operates with significant input from, and involvement by, County departments and employee bargaining units. The Employee of the Month nomination is submitted by the Employee Recognition Committee made up of Angela Davis, Director of Support Services; Captain Pat Kropholler; Ayla Tucker, Administrative Analyst I; Phillip Crawford, Social Worker Supervisor I; Michael Conti, Health and Human Services Program Manager; and Ken Koenen, Deputy Sheriff.

FINANCING

The cost of the Employee Recognition Program is nominal. There is no additional General Fund impact.

ATTACHMENTS:

Description	Upload Date	Description
Resolution - EOM Sept 2019	7/30/2019	Resolution - EOM Sept 2019

RESOLUTION NO. XXXX-XX

**A RESOLUTION OF THE BOARD OF SUPERVISORS
OF THE COUNTY OF SHASTA
RECOGNIZING ASHLEY SAELEE, CHILD SUPPORT SPECIALIST III
OF THE SHASTA COUNTY CHILD SUPPORT SERVICES DEPARTMENT,
AS SEPTEMBER 2019 EMPLOYEE OF THE MONTH**

WHEREAS, the Board of Supervisors of the County of Shasta has adopted the Shasta County Employee Recognition Program to identify exceptional employees who deserve to be recognized and honored for their contribution to County service; and

WHEREAS, such recognition is given to the employee meeting the criteria of the program, namely exceptional customer service, professionalism, high ethical standards, initiative, innovation, teamwork, productivity, and service as a role model for other public employees; and

WHEREAS, the Shasta County Employee Recognition Committee has considered all current nominations for the Shasta County Employee of the Month;

NOW, THEREFORE, BE IT RESOLVED that Ms. Saelee participated in the Leadership Program in 2018 and co-created the Effective Communication with Case Participants Training. This training has been provided to all staff and continues to be provided in both the New Hire and Regional Staff Trainings.

BE IT FURTHER RESOLVED that Ms. Saelee is an effective communicator and has shown how smoothly she can transition into the role of Lead on an assignment. She is not only a great asset to her team but is a great asset to the office as well.

DULY PASSED AND ADOPTED this 10th day of September, 2019, by the Board of Supervisors of the County of Shasta by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSE:

LEONARD MOTY, CHAIRMAN
Board of Supervisors
County of Shasta
State of California

Resolution No.
August 13, 2019
2 of 2

ATTEST:

LAWRENCE G. LEES
Clerk of the Board of Supervisors

By: _____
Deputy

REPORT TO SHASTA COUNTY BOARD OF SUPERVISORS

BOARD MEETING DATE: September 10, 2019

CATEGORY: Consent - General Government-1.

SUBJECT:

Amendment to the Loan Agreement with Veterans Housing Development Corporation for Shasta Lake Villages Housing Project

DEPARTMENT: Administrative Office

Supervisory District No. : 4

DEPARTMENT CONTACT: Terri Howat, County Chief Financial Officer, (530) 225-5561

STAFF REPORT APPROVED BY: Terri Howat, County Chief Financial Officer

Vote Required?	General Fund Impact?
Simple Majority Vote	No Additional General Fund Impact

RECOMMENDATION

Approve and authorize the Chairman to sign an amendment, effective date of signing, to the Loan Agreement and Promissory Note Secured by Deed of Trust with the Veterans Housing Development Corporation to provide predevelopment financing for the Shasta Lake Villages housing project which extends the term of the loan and establishes a new maturity date from May 7, 2019 to June 1, 2020, and retains the loan amount of \$248,000.

SUMMARY

N/A

DISCUSSION

Shasta Lake Villages is a proposed housing complex that, upon completion, will be comprised of 30 one-bedroom apartments, community space, counseling rooms, laundry facilities, garden and recreation space for those veterans who are homeless in Shasta County. The City of Shasta Lake has donated the parcel located at the corner of Meade and Locust Streets in the city and a loan in the amount of \$100,000 to fund predevelopment fees.

The \$248,000 loan made by the County to VHDC will cover costs such as surveying, construction management, permit application fees, and architect fees.

The City of Shasta Lake Housing Authority (Shasta Lake Housing Authority) currently holds ownership in the parcel that Shasta Lake Villages is proposed to be built on. Through the process of the development, the Shasta Lake Housing Authority has supported VHDC's desire to use the property as collateral for security in the County's loan. The County's \$248,000 loan is secured by a deed of trust on the property. Upon receiving all funding source approvals, the Housing Authority will deed the property to VHDC for final ownership.

On November 7, 2017, the Board of Supervisors approved the loan agreement in the amount of \$248,000 to VHDC with a maturity date of May 7, 2019 to contribute to the predevelopment financing until the project is built. The VHDC has requested an extension of the maturity date to June 1, 2020 due to unforeseen constraints.

ALTERNATIVES

The Board of Supervisors could decline to approve the recommendation. This alternative is not recommended as this project will provide one of many solutions to decrease the number of homeless veterans residing in Shasta County and the loan amount has previously been approved by the Board.

OTHER AGENCY INVOLVEMENT

County Counsel has approved the amendment as to form. This recommendation has been reviewed by the County Administrative Office.

FINANCING

The VHCD is asking the County of Shasta to extend the loan of \$248,000 from the General Fund changing the maturity date from May 7, 2019 to June 1, 2020. The loan in the amount of \$248,000 was originally approved by the Board on November 7, 2017. The loan amount is not being changed and therefore this is no additional General Fund impact associated with approval of the recommendation.

ATTACHMENTS:

Description	Upload Date	Description
VHDC Loan Agreement 11-07-17	8/1/2019	VHDC Loan Agreement 11-07-17
VHDC Loan Agreement First Amendment	8/29/2019	VHDC Loan Agreement First Amendment

COUNTY OF SHASTA
Department of Housing and Community Action Agency

LOAN AGREEMENT AND PROMISSORY NOTE SECURED BY DEED OF TRUST

(Deferred Payment Loan)

Date: November 7, 2017

Amount: \$248,000

Redding, California

THIS LOAN AGREEMENT AND PROMISSORY NOTE (hereinafter the “**Note**”) is made this 7th day of November, 2017, by and between Veterans Housing Development Corporation, a California Nonprofit corporation (“**Borrower**”) and the County of Shasta, a political subdivision of the State of California (“**County**”). Borrower and County shall collectively be known herein as the “Parties.”

RECITALS

WHEREAS, Borrower seeks to secure permanent supportive housing for veterans and offers a supportive services and programs such as access to medical care, job training and placement assistance, 12-step and other sobriety support, and case management, to address the needs of veterans;

WHEREAS, Borrower seeks to carry out a project consisting of construction of a 30-unit affordable housing complex for veterans (supportive housing) who are very low-income and eligible for Veterans Affairs Supported Housing (VASH) and to whom Borrower would provide supportive services (the “**Project**”);

WHEREAS, Borrower has requested a deferred payment loan from Shasta County in the amount of \$248,000 (the “**Loan**”) for preconstruction expenses for the Project, including but not limited to architecture, engineering, consultant fees, permit fees, and other related preconstruction fees and costs for the Project;

WHEREAS, Government Code Section 26227 authorizes the Shasta County Board of Supervisors to finance or assist in the financing of the acquisition or improvement of real property and furnishings to be owned or operated by any public agency, nonprofit corporation, or nonprofit association to carry out programs deemed by the Board of Supervisors to be necessary to meet the social needs of the population of the County, including but not limited to, the health needs of the population of the County;

WHEREAS, the Shasta County Board of Supervisors has deemed the Project to be necessary to meet the social needs of the population of the County and serve purposes that will benefit the City of Shasta Lake and this deferred payment loan is in the best interests of Shasta County, the community of the City of Shasta Lake, and the general public; and

WHEREAS, Borrower, desires to borrow money from the County of Shasta in the amount of the Loan, and County desires to provide the Loan to Borrower, for the purpose of improving real property to be acquired by the Borrower and described as follows:

The real property commonly known as and located at 4275 Meade Street in the City of Shasta Lake, Shasta County, California, located at the northwest corner of Meade Street and Locust Avenue, Assessor's Parcel Numbers 005-060-025, 005-060-053, 005-060-058, and 005-060-059, (as more particularly described in the attached "Exhibit A", collectively, the "**Property**");

WHEREAS, as of the date of this Note, the Property is owned by the City of Shasta Lake Housing Authority, ("**Housing Authority**"), and the Housing Authority intends to convey the Property to Borrower at the closing for Project construction financing; and

WHEREAS, the Housing Authority has agreed to provide County with a security interest in the Property as collateral for repayment of the Loan.

NOW THEREFORE,

1. County agrees to provide the Loan to Borrower, in accordance with the terms and conditions and for the purposes set forth in this Note.
2. FOR VALUE RECEIVED, Borrower promises to pay to County at its principal office or at such other place as shall be designated by the County, the principal sum of \$248,000.00 (Two Hundred Forty-Eight Thousand dollars), or so much thereof as County disburses to Borrower pursuant to this Note, with interest accruing from the date of disbursement, on the outstanding principal balance, at the simple interest rate of 95/100 percent (.95 %) per annum, until paid.
3. Payment of both principal and accrued interest is deferred until the date (the "**Maturity Date**") which is the earlier of: (i) eighteen (18) months from the date of this Note (provided however, Borrower shall have the right to request an extension for a period of up to six (6) months if necessary to accommodate delays in the commencement or completion of Project construction or delay in conversion of the Project construction loan and in the event Borrower requests an extension, County shall have the right in its sole discretion to reject or grant such extension request), or (ii) upon Borrower's obtaining construction financing. The entire unpaid principal balance and accrued interest, plus any other sums payable pursuant to this Note or the Deed of Trust, shall be due and payable in full on the Maturity Date, unless otherwise approved by the County in its reasonable discretion. Borrower shall have the right to prepay the Loan in whole or in part without penalty or premium.
4. This Note is secured by a Deed of Trust executed by the Housing Authority, for the benefit of County, given to First American Title Insurance Company, a corporation, as trustee, and duly filed for record against the Property in the Official Records of Shasta County (the "**Deed of Trust**").

5. The makers, sureties, guarantors and endorsers of this Note hereby consent to renewals and extension of time at or after the maturity hereof, waive diligence, presentment, protest and demand and notice of every kind, and to the extent permitted by law, waive the right to plead any exemption rights or statute of limitations as a defense to any action or proceeding to enforce the terms of this Note. This Note is the joint and several obligations of all makers, sureties, guarantors and endorsers, and shall be binding upon them and their heirs, personal representatives, successors and assigns.
 6. Borrower understands and agrees that any construction improvements, including preconstruction work and expenses, for the Project must comply with prevailing wage requirements in accordance with the provisions of Article 2 (commencing with section 1770) of Chapter 1 of Part 7 of Division 2 of the Labor Code.
 7. The term of this Note shall commence on the date of signing by all parties of this Note and shall end on the Maturity Date as defined above.
 8. Termination. At any time prior to expiration of the term of this Note, County, acting either through its Board of Supervisors or its County Executive Officer, shall have the right to terminate this Note effective immediately upon the County giving written notice thereof to Borrower and to demand return to the County of all funds loaned to Borrower under this Note, if any of the following occurs:
 - a. Borrower fails to perform its responsibilities under this Note or fails to comply with any and/or all of the terms and conditions in this Note as determined by County;
 - b. Borrower does not commence and complete the Project within the time specified in Section 2 above;
 - c. Borrower is dissolved during the term of this Note.
- Upon the occurrence of any of the foregoing, County shall have the right to immediately demand the return of all funds disbursed hereunder within 30 days of County's written demand for return of the funds.
9. Publicity. Publicity generated by Borrower for the Project during the initial year of this Note shall make reference to the contribution of County.
 10. Non-Discrimination. Borrower agrees to comply with applicable laws prohibiting discrimination in employment or in the provision of services because of race, color, religion, national origin, age, sex, sexual orientation, mental or physical disability, or any additional classification or status protected by law. This non-discrimination section shall remain in full force and effect after termination of this Note.
 11. Indemnity. Borrower agrees to defend, indemnify, hold harmless, reimburse and release County, its elected officials, agents, officers, attorneys, employees, volunteers, boards and commissions, from and against any and all actions, claims, damages, disabilities,

liabilities and expenses, including but not limited to attorney's fees and the cost of litigation (including, but not limited to, attorney's fees and costs of litigation incurred in an action by County to enforce the indemnity provisions herein), that may be asserted by any person or entity, including Borrower, arising out of or in connection with the performance of Borrower hereunder, whether or not there is concurrent negligence on the part of County, but, to the extent required by law, excluding liability due to the sole negligence of or due to the willful misconduct of County or the other indemnified parties. If there is a possible obligation to indemnify, Borrower's duty to defend exists regardless of whether it is ultimately determined that there is not a duty to indemnify. County shall have the right to select its own legal counsel at the expense of Borrower, subject to Borrower's approval, which approval shall not be unreasonably withheld. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable to or for Borrower or its agents under workers' compensation acts, disability benefit acts, or other employee benefit acts.

Borrower agrees to defend, indemnify, release and hold harmless County, its elected officials, agents, officers, attorneys, employees, volunteers, boards and commissions from any claim, action or proceeding brought against any of the foregoing individuals or entities, the purpose of which is to attack, set aside, void, or annul the approval of this Note. This indemnification shall include but not be limited to, damages, costs, expenses, attorney's fees or expert witness fees that may be asserted by any person or entity, including Borrower, arising out of or in conjunction with the approval of this Note, whether or not there is concurrent passive or active negligence on the part of County.

This indemnification section shall remain in full force and effect after termination of this Note.

12. As County is merely loaning funds to Borrower, the provisions of this section are intended to be construed as broadly as permitted under California law and are intended to relieve County of any liability associated with the ownership, construction, or operation of the Project.
13. Compliance with Laws, Prevailing Wages. Borrower understands and agrees that use of County funds in connection with Project shall require the payment of prevailing wages in accordance with the California Labor Code. Borrower agrees to comply with all applicable laws and regulations affecting the Project, and agrees to provide reasonable documentation of such compliance promptly upon County's request. Borrower further expressly warrants and agrees that at all times, VHDC or a public agency, nonprofit corporation or nonprofit association, shall own or operate the Project.
14. Right to Audit and Inspect. Borrower understands and agrees to permit County the right to audit and inspect all records, notes and writings of any kind for the purpose of monitoring Borrower's compliance with the terms and conditions of this Note.
15. Insurance.
 - a. Borrower shall maintain throughout the term of this Note, fire, flood, and extended coverage insurance to provide replacement coverage for the Project facilities.

- b. Borrower shall also obtain, from an insurance carrier authorized to transact business in the State of California, and maintain during the term of this Note, Commercial General Liability Insurance for the Project facilities (including the building and premises) of not less than Two Million Dollars (\$2,000,000) combined single limit bodily injury and property damage per occurrence and Five Million Dollars (\$5,000,000) aggregate. Any of Borrower's Excess Insurance shall contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the County.
- c. Borrower shall obtain and maintain continuously all required Workers' Compensation and Employer's Liability Insurance to cover Borrower and Borrower's employees, with an insurance carrier authorized to transact business in the State of California covering the full liability for compensation for injury to those employed by Borrower. Each such policy shall be endorsed to state that the Workers' Compensation carrier waives its right of subrogation against County, its elected officials, officers, agents, and volunteers which might arise in connection with this Note. Borrower hereby certifies that Borrower is aware of the provisions of section 3700 of the Labor Code, which requires every employer to insure against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code, and Borrower shall comply with such provisions prior to the distribution of funds by County to Borrower under this Note.
- d. Any deductible or self-insured retention exceeding \$25,000 for Borrower shall be disclosed to and be subject to approval by the County Risk Manager prior to the distribution of funds by County to Borrower under this Note.
- e. All insurance (except workers' compensation and professional liability) shall include an endorsement or an amendment to the policy of insurance that names Shasta County, its elected officials, officers, employees, agents, volunteers, boards and commissions, as additional insureds and provides that coverage shall not be reduced or canceled without 30 days' written prior notice certain to the County. Any available insurance proceeds in excess of the specified minimum limits and coverage pursuant to the terms of this Note shall be applicable to the Additional Insured. The additional insureds coverage shall be equal to Insurance Service Office endorsement CG 20 10 for ongoing operations, and CG 20 37 for completed operations. Borrower shall provide County the endorsements or amendments to Borrower's policies of insurance as evidence of insurance protection before the distribution of funds by County to Borrower under this Note.
- f. The insurance coverage required by this Note shall be in effect at all times during the Note. In the event any insurance coverage expires at any time during the term of the Note, Borrower shall provide, at least twenty (20) days prior to said expiration date, a new endorsement or policy amendment evidencing insurance coverage as provided for herein.
- g. Any of Borrower's excess insurance shall contain a provision that such coverage shall

also apply on a primary and non-contributory basis for the benefit of County.

- h. Borrower releases County from liability for loss or damage covered by Borrower's fire, flood, and extended insurance coverage and waives subrogation rights of the insurer(s).
- 16. No Political or Religious Activity. County funds shall be used only for the purposes specified in this Note and in any attachments hereto. No County funds shall be used for any political activity, or to further the election or defeat of any candidate for political office. No County funds shall be used for purposes of religious worship, instruction, or proselytizing.
- 17. Merger. This writing is intended both as the final expression of the agreement between the parties hereto with respect to the included terms and as a complete and exclusive statement of the terms of the Note, pursuant to Code of Civil Procedure Section 1856. No modification of this Note shall be effective unless and until such modification is evidenced by a writing signed by both parties.
- 18. Severability. In the event that any provision of this Note shall be held by a court to be invalid or illegal for any reason, said invalidity or illegality shall not affect the remaining provisions of this Note.
- 19. Method and Place of Giving Notice. Any notice required to be given pursuant to the terms and provisions of this Note shall be in writing and shall be sent first-class mail to the following addresses:

If to County: Director
 Shasta County Department of Housing and
 Community Action Programs
 1450 Court Street, Suite 108
 Redding, CA 96001

If to Borrower: Veterans Housing Development Corporation
 P.O Box 9007
 Santa Rosa, CA 95406

Written notice shall be deemed to be effective two days after mailing.

- 20. Assignment/Delegation. Neither party shall assign, sublet, or transfer any interest in or delegate any duty under this Note without the written consent of the other, and no assignment shall have any force or effect whatsoever unless and until the other party shall have so consented.
- 21. Status of Parties. This Note shall not be construed to create a joint venture or partnership. Neither party is the agent of the other for any purpose. There are no third party beneficiaries to this Note, and it may be enforced only by the parties hereto.

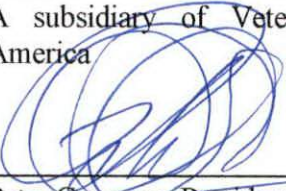
22. Notice of Claim. If any claim for damages is received by Borrower or if any lawsuit is instituted that in any way, directly or indirectly, contingently or otherwise, affects or might reasonably affect County, Borrower shall give prompt and timely notice thereof to County. Notice shall be prompt and timely if given within 30 days following the date of receipt of a claim or 10 days following the date of service of process of a lawsuit.
23. Note Preparation. It is agreed and understood by the parties that this Note has been arrived at through negotiation and that neither party is to be deemed the party which created any uncertainty in this Note within the meaning of Civil Code section 1654.
24. In the event of a conflict between the terms of this Note and the terms of any Deed of Trust securing this Note, the terms of this Note shall prevail.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, County and Borrower have executed this Note on the dates set forth below. By their signatures below, each signatory represents that he/she has the authority to execute this Note and to bind the party on whose behalf his/her execution is made.

Veterans Housing Development Corporation,
A subsidiary of Veterans Resource Centers of
America

Date: 10/25/2017


Peter Cameron, President
Veterans Housing Development Corporation

Date: 10/25/17


Burt McChesney, Executive Director
Veterans Housing Development Corporation

COUNTY OF SHASTA


Date: NOV 07 2017


DAVID A. KEHOE, CHAIRMAN
Board of Supervisors
County of Shasta, State of California


ATTEST
LAWRENCE G. LEES
Clerk of the Board of Supervisors

By: Candace Spaular

Approved as to form:


Matthew M. McOmber
Senior Deputy County Counsel

RISK MANAGEMENT APPROVAL


James Johnson
Risk Management Analyst

**FIRST AMENDMENT TO THE LOAN AGREEMENT AND PROMISSORY NOTE
SECURED BY DEED OF TRUST BETWEEN
THE COUNTY OF SHASTA AND THE VETERANS HOUSING DEVELOPMENT
CORPORATION**

This First Amendment is entered into between the County of Shasta, a political subdivision of the State of California ("County"), and the Veterans Housing Development Corporation, a California Nonprofit corporation, ("Borrower").

RECITALS

WHEREAS, County and Borrower have previously entered into an agreement on November 7, 2017 to provide a deferred payment loan from County in the amount of \$248,000 (the "Loan Agreement and Promissory Note Secured by Deed of Trust") for preconstruction expenses for development of an affordable housing complex for veterans; and

WHEREAS, County and Borrower desire to amend the Agreement to extend the term of the loan and to establish a new maturity date.

NOW, THEREFORE, the Agreement is amended as follows:

I. **MATURITY DATE**

Paragraph 3 of the Loan Agreement and Promissory Note Secured By Deed of Trust is amended as of the effective date of this First Amendment in its entirety to read as follows:

Payment of both principal and accrued interest is deferred until June 1, 2020 ("**Maturity Date**"). The entire unpaid principal balance and accrued interest, plus any other sums payable pursuant to this Note or the Deed of Trust, shall be due and payable in full on the Maturity Date, unless otherwise approved by the County in its reasonable discretion. Borrower shall have the right to prepay the Loan in whole or in part without penalty or premium.

II. **REAFFIRMATION**

In all other respects, the Loan Agreement and Promissory Note Secured by Deed of Trust, as amended by this First Amendment, and any attachments, remains in full force and effect.

III. **ENTIRE AGREEMENT**

The Loan Agreement and Promissory Note Secured by Deed of Trust, as amended by this First Amendment, and any attachments, constitute the entire understanding between County and Borrower.

IV. **EFFECTIVE DATE**

This First Amendment shall be deemed effective as of the last date it is signed by both Parties.

[SIGNATURE PAGE FOLLOWS]*

IN WITNESS WHEREOF, the Parties hereto have executed this First Amendment to the Loan Agreement and Promissory Note Secured by Deed of Trust. By their signatures below, each signatory represents that he/she has the authority to execute this First Amendment and to bind the Party on whose behalf his/her execution is made.

COUNTY OF SHASTA

Date: _____

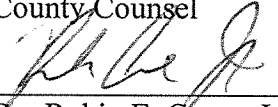
LEONARD MOTY, CHAIRMAN
Board of Supervisors
County of Shasta
State of California

ATTEST:

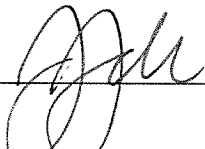
LAWRENCE G. LEES
Clerk of the Board of Supervisors

By: _____
Deputy

Approved as to form:
RUBIN E. CRUSE, JR
County Counsel


 8/9/19
By: Rubin E. Cruse, Jr.

RISK MANAGEMENT APPROVAL

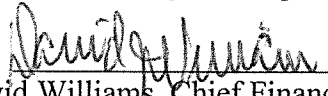
By:  08/09/19

BORROWER

Date: 8/23/19

By: 
Brad Long, Executive Director
Veterans Housing Development Corporation

Date: _____

By: 
David Williams, Chief Financial Officer
Veterans Housing Development Corporation

REPORT TO SHASTA COUNTY BOARD OF SUPERVISORS

BOARD MEETING DATE: September 10, 2019

CATEGORY: Consent - General Government-2.

SUBJECT:

Adopt a Resolution authorizing "Dry Period" financing in the amount of \$125,000 for the Burney Fire Protection District.

DEPARTMENT: Administrative Office

Supervisory District No. : 3

DEPARTMENT CONTACT: Terri Howat, County Chief Financial Officer, (530) 225-5561

STAFF REPORT APPROVED BY: Terri Howat, County Chief Financial Officer

Vote Required?	General Fund Impact?
4/5 Vote	No General Fund Impact

RECOMMENDATION

Adopt a resolution which authorizes a loan from the County's General Fund to Burney Fire Protection District in the amount of \$125,000 to be repaid from the December 2019 secured property tax apportionment.

SUMMARY

N/A

DISCUSSION

Pursuant to Government Code section 23010, the Board of Supervisors is authorized to lend any of its available funds to any community services district, county waterworks district, mosquito abatement district, pest abatement district, fire protection district, flood control and water conservation district, recreation and park district, regional park district, regional park and open-space district, regional open-space district, resort improvement district, or public cemetery district located wholly within the county, if its funds are or when available will be in the custody of the county or any officer of the county, in order to enable the district to perform its functions and meet its obligations; the loan shall not exceed 85 percent of the district's anticipated property tax revenue for the fiscal year in which it is made or in the next ensuing fiscal year, and shall be repaid out of that revenue prior to the payment of any other obligation of the district.

The County Administrative Office received a request for dry period financing in the amount of \$125,000 from the Burney Fire Protection District Board of Directors, in a resolution dated August 29, 2019. The Auditor-Controller has verified the District will receive sufficient tax revenue to repay the loan. The loan can be made from the County's General Fund with interest to accrue at the same rate which would otherwise have been earned at the pooled treasury rate. The District's loan for \$125,000 will be repaid from proceeds of the December 2019 secured property tax apportionment.

ALTERNATIVES

The Board could suggest that the District pursue commercial credit as an alternative to the County loan proposal.

OTHER AGENCY INVOLVEMENT

The Auditor-Controller’s Office assisted with computation of the property tax proceeds anticipated for the District. If this recommendation is approved, the Auditor’s Office will process the loan payment and the repayment. The County Administrative Office concurs with this recommendation.

FINANCING

A short-term loan to the District which accrues interest at the pooled treasury rate would not adversely affect the General Fund.

ATTACHMENTS:

Description	Upload Date	Description
Burney Fire Board Resolution	8/30/2019	Burney Fire Board Resolution
BFPD Resolution	9/5/2019	BFPD Resolution

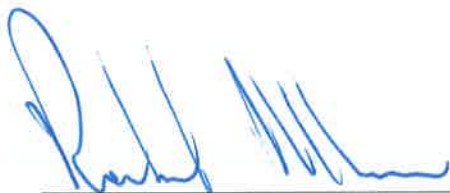
RESOLUTION NO. BFPD 2019-09
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
BURNEY FIRE PROTECTION DISTRICT, COUNTY OF SHASTA, STATE OF
CALIFORNIA, REQUESTING DRY-PERIOD FINANCING

At a Special Meeting of the Burney Fire Protection District, the Board of Directors resolved to request Dry Period Financing in the amount of \$125,000 from the County of Shasta to be presented to the Shasta County Board of Supervisors at the September 10, 2019 meeting.

The amount requested will be paid back to the County of Shasta upon the December 2019 receipt of Property Tax revenue with any and all interest due for this loan.

PASSED AND ADOPTED by the Board of Directors of the Burney Fire Protection District at a Special Meeting of the Directors duly called and held on this 29th day of August 2019.

Ayes: Moore, VALINOTI, SWEET, Crowel
Noes: 0
Absent: 0
Abstain: 0



Robert Moore, Board Chair



Attest: Cindy Hall, District Secretary



PLUMAS BANK

5050 Meadowood Mall Circle ▪ Reno, NV 89502 ▪ PH 775.786.0907 Ext.6602 ▪ FAX 775.786.5637
Correspondent Banking and Specialty Lending

August 28, 2019

Monte B. Keady - Fire District Chief
Board of Directors
Burney Fire Protection District
37072 Main Street
Burney, CA 96013

Nolda Short - Assistant Auditor / Controller
Lori Scott – Treasurer- Tax Collector
Shasta County Auditor / Controller
1450 Court Street, Suite 238 & Suite 227
Redding, CA 96001

Re: Plumas Bank \$150,000 Property Tax Assessment Secured Line of Credit

Ladies and Gentlemen,

This letter serves to confirm that Plumas Bank Promissory Note # 166702305 which was a \$150,000.00 secured line of credit to the Burney Fire Protection District has been fully repaid as agreed and cancelled as of its 4/30/2019 maturity date.

The Assignment Of Anticipated General Tax Revenue dated January 15, 2019 which acted as collateral and repayment source for Plumas Bank Note # 166702305 has also been cancelled and relieved as of the 4/30/19 Line of Credit repayment and is no longer in force and is no longer enforceable.

We acknowledge that Burney fire Protection District has withdrawn its application for a renewal of the \$150,000.00 line of credit effective 8/28/19 and that the Shasta County Office of Auditor/Controller and Shasta County Treasurer – Tax Collector are no longer a party to the Assignment of Anticipated General Tax Revenue agreement and that Burney Fire Protection District taxes are no longer encumbered / lienied by Plumas Bank.

Thank you for your help in this matter,

Robert L. Mann
Vice President
Specialty Lending

RESOLUTION NO. 2019-

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SHASTA
TO PROVIDE A "DRY-PERIOD" FINANCING LOAN
TO BURNEY FIRE PROTECTION DISTRICT**

WHEREAS, the Shasta County General Fund has sufficient cash balance to fund the short term dry-period financing loan; and

WHEREAS, pursuant to Government Code section 23010, the Board of Supervisors is authorized to lend any of its available funds to any community services district, county waterworks district, mosquito abatement district, pest abatement district, fire protection district, flood control and water conservation district, recreation and park district, regional park district, regional park and open-space district, regional open-space district, resort improvement district, or public cemetery district located wholly within the county, if its funds are or when available will be in the custody of the county or any officer of the county, in order to enable the district to perform its functions and meet its obligations; the loan shall not exceed 85 percent of the district's anticipated revenue for the fiscal year in which it is made or in the next ensuing fiscal year, and shall be repaid out of that revenue prior to the payment of any other obligation of the district; and

WHEREAS, the Burney Fire Protection District (the "District") has requested "dry-period" financing in the amount of \$125,000 to cover operating expenses.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of the County of Shasta authorizes a loan from its General Fund to the Burney Fire Protection District in the amount of \$125,000 to be repaid from the District's December 2019 secured property tax apportionment.

BE IT FURTHER RESOLVED that the outstanding loan shall be subject to interest at the pooled treasury rate.

DULY PASSED AND ADOPTED this 10th day of September 2019, by the Board of Supervisors of the County of Shasta by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSE:

LEONARD MOTY, CHAIRMAN
Board of Supervisors
County of Shasta, State of California

ATTEST:

Lawrence G. Lees
Clerk of the Board of Supervisors

By

Deputy

REPORT TO SHASTA COUNTY BOARD OF SUPERVISORS

BOARD MEETING DATE: September 10, 2019

CATEGORY: Consent - General Government-3.

SUBJECT:

CGL – First Amendment

DEPARTMENT: Administrative Office

Supervisory District No. : All

DEPARTMENT CONTACT: Lawrence G. Lees, County Executive Officer (530) 225-5561

STAFF REPORT APPROVED BY: Lawrence G. Lees, County Executive Officer

Vote Required?	General Fund Impact?
Simple Majority Vote	No Additional General Fund Impact

RECOMMENDATION

Approve and authorize the Chairman to sign an amendment, effective date of signing, to the agreement with CGL Companies, LLC (CGL) to: (1) Extend the due date for the submission of the final report from May 24, 2019 to September 30, 2019, or within 60 calendar days after CGL presents a draft report to the Board; and (2) modify the agreement end date to December 3, 2019, or thirty calendar days after County processes the final payment, whichever occurs first.

SUMMARY

N/A

DISCUSSION

On November 13, 2018, the Board approved an agreement, effective December 3, 2018, with CGL Companies, LLC (CGL) to provide an independent review of Shasta County's Main Jail operations. The current agreement requires the final report to be submitted to County by May 24, 2019. Due to calendaring conflicts, the amendment will extend the final report due date to September 30, 2019, or within 60 calendar days after CGL presents a draft report to the Board of Supervisors. CGL presented the draft report to the Board on August 13, 2019.

In addition, the current agreement has a termination date of June 3, 2019 unless extended for an additional six months. By written notice in compliance with the agreement, the County Executive Officer and CGL mutually agreed to waive the 30-day notice requirement in Section 5.A. to extend the term of the agreement to December 3, 2019. The amendment modifies the agreement end date to December 3, 2019, or thirty calendar days after County processes the final payment, whichever occurs first.

ALTERNATIVES

The Board could choose not to approve the amendment.

OTHER AGENCY INVOLVEMENT

County Counsel approved the amendment as to form.

FINANCING

There is no additional General Fund impact as this amendment does not modify the agreement compensation.

ATTACHMENTS:

Description	Upload Date	Description
CGL First Amendment	8/26/2019	CGL First Amendment

**FIRST AMENDMENT TO THE AGREEMENT BETWEEN
THE COUNTY OF SHASTA AND CGL COMPANIES, LLC FOR
AN INDEPENDENT REVIEW OF THE COUNTY'S JAIL OPERATIONS**

This First Amendment is entered into between the County of Shasta ("County"), a political subdivision of the State of California, and CGL Companies, LLC, ("Consultant").

RECITALS

WHEREAS, County and Consultant have previously entered into an agreement that commenced on December 3, 2018, for the Consultant to provide an independent review of the County's Jail operations ("Original Agreement"); and

WHEREAS, on May 21, 2019, County and Consultant mutually agreed to waive the 30-day notice requirement in Section 5.A. to extend the term of the agreement to December 3, 2019; and

WHEREAS, County and Consultant desire to amend the Agreement to amend the term of the agreement and due date for Submission of the Final Report ("First Amendment"); and

NOW, THEREFORE, the Agreement is amended as follows:

- I. Subsection A. of Section 5, "TERM OF AGREEMENT," is amended in its entirety to read as follows:

This agreement shall begin on December 3, 2018, and shall end on December 3, 2019, or thirty calendar days after County processes the final payment to Consultant pursuant to Section 4.A. of the agreement, whichever occurs first.

- II. Section 15., "Submission of Final Report," of EXHIBIT A SCOPE OF WORK of the Agreement in its entirety to read as follows:

15. Submission of Final Report

Consultant shall incorporate the comments received from the draft report review and shall assemble the final report to provide to County. The final updated report will incorporate draft review comments, describe the recommended strategies, refine the supporting data and presentation documents, and present the projected cost impact/savings of the recommendations. Final Report due to County will be no later than September 30, 2019, or sixty calendar days after a draft report is presented to the Shasta County Board of Supervisors by the Consultant.

- III. **REAFFIRMATION**

In all other respects, the Agreement, as amended, and any attachments, remains in full force and effect.

IV. **ENTIRE AGREEMENT**

The Agreement, as amended, and any attachments, constitute the entire understanding between County and Consultant.

V. **EFFECTIVE DATE**

Unless otherwise provided, this First Amendment shall be deemed effective as of the last date it is signed by both Parties.

IN WITNESS WHEREOF, the Parties hereto have executed First Amendment to the Agreement. By their signatures below, each signatory represents that he/she has the authority to execute this First Amendment and to bind the Party on whose behalf his/her execution is made.

COUNTY OF SHASTA

Date: _____

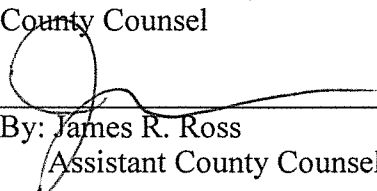
LEONARD MOTY, CHAIRMAN
Board of Supervisors
County of Shasta
State of California

ATTEST:

LAWRENCE G. LEES
Clerk of the Board of Supervisors

By: _____
Deputy

Approved as to form:
RUBIN E. CRUSE, JR
County Counsel

By: 
Assistant County Counsel

Date: 8.19.19

CONSULTANT

By: 
W. Robert Glass, Executive Vice President

Tax I.D.#: on file

REPORT TO SHASTA COUNTY BOARD OF SUPERVISORS

BOARD MEETING DATE: September 10, 2019

CATEGORY: Consent - General Government-4.

SUBJECT:

Michael Baker International, Inc. Agreement

DEPARTMENT: Agricultural Commissioner/Sealer of Weights and Measures
Resource Management

Supervisory District No. : All

DEPARTMENT CONTACT: Rick Gurrola, Agricultural Commissioner/Sealer of Weights & Measures
(530) 224-4949

STAFF REPORT APPROVED BY: Rick Gurrola, Agricultural Commissioner; Paul Hellman, Resource Management Director

Vote Required?	General Fund Impact?
Simple Majority Vote	No Additional General Fund Impact

RECOMMENDATION

Approve and authorize the Chairman to sign an agreement with Michael Baker International, Inc. in an amount not to exceed \$49,120 to draft an Environmental Impact Report for the U.S. Department of Agriculture Animal and Plant Health Inspection Service - Wildlife Services (USDA APHIS-WS) program in Shasta County for the period date of signing through July 31, 2020.

SUMMARY

N/A

DISCUSSION

Shasta County withdrew from the United States Department of Agriculture Animal and Plant Health Inspection Service Wildlife Services (USDA APHIS-WS) Agreement for Integrated Wildlife Damage Management on October 8, 2018 until the California Environmental Quality Act (CEQA) documentation for the program was completed. An Initial Study was the first step in obtaining complete CEQA documentation for the program. Michael Baker International, Inc. was selected and completed an Initial Study in accordance with CEQA for the program and now an agreement for the preparation of an Environmental Impact Report (EIR) is necessary to complete the documentation. The agreement will provide the authority for the consultant to complete the EIR for a cost not to exceed \$49,120. Board approval is required due to the prior agreement total and this agreement total exceeding County Executive Officer signing authority.

ALTERNATIVES

The Board can choose to modify the agreement language.

OTHER AGENCY INVOLVEMENT

County Counsel approved the agreement as to form. Risk Management approved the agreement. The Recommendation has been reviewed by the County Administrative Office.

FINANCING

Costs associated with agreement can likely be absorbed into the Agricultural Commissioner/Sealer of Weights and Measures Fiscal Year 2019-20 Adopted Budget. There is no additional General Fund impact with approval of the Recommendation.

ATTACHMENTS:

Description	Upload Date	Description
Personal Services Agreement	8/16/2019	Personal Services Agreement

**PERSONAL SERVICES AGREEMENT BETWEEN THE COUNTY OF SHASTA
AND MICHAEL BAKER INTERNATIONAL, INC.**

This agreement is entered into between the County of Shasta, through its Department of Agriculture/Weights & Measures, a political subdivision of the State of California ("County") and Michael Baker International, Inc., ("Consultant") for the purpose of preparing an Environmental Impact Report (EIR) and associated activities for determination of California Environmental Quality Act (CEQA) compliance for the proposed Cooperative Service Agreement (CSA) with the United States Department of Agriculture Animal and Plant Health Inspection Service - Wildlife Services (USDA APHIS-WS) to provide integrated wildlife damage management assistance to Shasta County.

Section 1. RESPONSIBILITIES OF CONSULTANT.

- A. Pursuant to the terms and conditions of this agreement, Consultant shall perform services in accordance with **Attachment A**, "Scope of Work", attached hereto and incorporated herein, as summarized below:
 - 1. Preparation of a Notice of Preparation and conduct a Scoping meeting for the Shasta County-USDA APHIS-WS CSA EIR within Shasta County.
 - 2. Preparation of an Administrative Draft EIR in conformance with CEQA, which will include an Executive Summary, Project description, analysis of environmental effects and other required CEQA topics.
 - 3. Preparation of a screencheck Draft EIR and submittal, after review by County, of the Draft EIR to the State Clearinghouse for review.
 - 4. Preparation of the administrative Final and Final EIR for the project.
- B. As required by Government Code section 7550, each document or report prepared by Consultant for or under the direction of County pursuant to this agreement shall contain the numbers and dollar amount of the agreement and all subcontracts under the agreement relating to the preparation of the document or written report. If multiple documents or written reports are the subject of the agreement or subcontracts, the disclosure section may also contain a statement indicating that the total agreement amount represents compensation for multiple documents or written reports. Consultant shall label the bottom of the last page of the document or report as follows: department name, agreement number, and dollar amount. If more than one document or report is produced under this agreement, Consultant shall add: "This report is one of one (1 of 1) produced under this agreement."

Section 2. RESPONSIBILITIES OF COUNTY.

- A. Pursuant to the terms and conditions of this agreement, County shall compensate Consultant as prescribed in sections 3 and 4 of this agreement and shall monitor the outcomes achieved by Consultant.

- B. County shall provide timely review of draft documentation as set out in **Attachment A**.
- C. County shall perform other responsibilities as set out in **Attachment A** specific to County.

Section 3. COMPENSATION.

- A. Consultant shall be paid in accordance with the hourly rates identified in **Attachment A**, for the services described in this agreement.
- B. County shall reimburse Consultant for actual, necessary and reasonable expenses incurred to provide the services described in this agreement. All billed expenses must be supported by receipts.
- C. In no event shall the maximum amount payable under this agreement exceed \$49,120.
- D. Consultant's violation or breach of agreement terms may result in fiscal penalties, withholding of compensation, or termination of agreement.

Section 4. BILLING AND PAYMENT.

- A. Consultant shall submit to Shasta County Department of Agriculture, on a monthly basis, after completion of any services prescribed in Section 1, an itemized statement or invoice of services rendered. Shasta County shall make payment within 30 days of receipt of Consultant's correct and approved statement or invoice.
- B. Should County, or the state or federal government, disallow any amount claimed by Consultant, Consultant shall reimburse County, or the state or federal government, as directed by County, or the state or federal government, for such disallowed cost.

Section 5. TERM OF AGREEMENT.

This agreement shall commence as of the last date it has been signed by both Parties and shall end on July 31, 2020. Notwithstanding the foregoing, County shall not be obligated for payments hereunder for any future County fiscal year unless or until County's Board of Supervisors appropriates funds for this agreement in County's budget for that County fiscal year. In the event that funds are not appropriated for this agreement, then this agreement shall end as of June 30 of the last County fiscal year for which funds for this agreement were appropriated. For the purposes of this agreement, the County fiscal year commences on July 1 and ends on June 30 of the following year. County shall notify Consultant in writing of such non-appropriation at the earliest possible date.

Section 6. TERMINATION OF AGREEMENT.

- A. If Consultant materially fails to perform Consultant's responsibilities in accordance with this agreement to the satisfaction of County, or if Consultant fails to fulfill in

a timely and professional manner Consultant's responsibilities under this agreement, or fails to perform in accordance with the professional Standard of Care set out in Sections 9 and 17 below, or if Consultant violates any of the terms or provisions of this agreement, then County shall have the right to terminate this agreement for cause effective immediately upon the County giving written notice thereof to Consultant. If termination for cause is given by County to Consultant and it is later determined that Consultant was not in default or the default was excusable, then the notice of termination shall be deemed to have been given without cause pursuant to paragraph B of this section.

- B. County may terminate this agreement without cause on 30 days written notice to Consultant.
- C. County may terminate this agreement immediately upon oral notice should funding cease or be materially decreased during the term of this agreement.
- D. County's right to terminate this agreement may be exercised by Shasta County Agricultural Commissioner.
- E. Should this agreement be terminated, Consultant shall promptly provide to County any and all finished and unfinished reports, data, studies, photographs, charts, and other documents prepared by Consultant pursuant to this agreement.
- F. If this agreement is terminated, Consultant shall only be paid for services satisfactorily completed in accordance with this Agreement and provided up to and including the effective date of termination.

Section 7. ENTIRE AGREEMENT; AMENDMENTS; HEADINGS; EXHIBITS/APPENDICES.

- A. This agreement supersedes all previous agreements relating to the subject of this agreement and constitutes the entire understanding of the Parties hereto. Consultant shall be entitled to no other benefits other than those specified herein. Consultant specifically acknowledges that in entering into and executing this agreement, Consultant relies solely upon the provisions contained in this agreement and no others.
- B. No changes, amendments, or alterations to this agreement shall be effective unless in writing and signed by both Parties. However, minor amendments, including retroactive, that do not result in a substantial or functional change to the original intent of this agreement and do not cause an increase to the maximum amount payable under this agreement may be agreed to in writing between Consultant and Shasta County Agricultural Commissioner, provided that the amendment is in substantially the same format as the County's standard format amendment contained in the Shasta County Contracts Manual (Administrative Policy 6-101).
- C. The headings that appear in this agreement are for reference purposes only and shall not affect the meaning or construction of this agreement.

- D. If any ambiguity, inconsistency, or conflict exists or arises between the provisions of this agreement and the provisions of any of this agreement's exhibits or appendices, the provisions of this agreement shall govern.

Section 8. NONASSIGNMENT OF AGREEMENT; NON-WAIVER.

Inasmuch as this agreement is intended to secure the specialized services of Consultant, Consultant may not assign, transfer, delegate, or sublet any interest herein without the prior written consent of County. The waiver by County of any breach of any requirement of this agreement shall not be deemed to be a waiver of any other breach.

Section 9. EMPLOYMENT STATUS OF CONSULTANT.

Consultant shall, during the entire term of this agreement, be construed to be an independent contractor, and nothing in this agreement is intended nor shall be construed to create an employer-employee relationship, a joint venture relationship, or to allow County to exercise discretion or control over the professional manner in which Consultant performs the work or services that are the subject matter of this agreement; provided, however, that the work or services to be provided by Consultant shall be provided in a manner consistent with the professional standards applicable to such work or services (Standard of Care). The sole interest of County is to insure that the work or services shall be rendered and performed in a competent, efficient, and satisfactory manner and in accordance with such Standard of Care. Consultant shall be fully responsible for payment of all taxes due to the State of California or the federal government that would be withheld from compensation if Consultant were a County employee. County shall not be liable for deductions for any amount for any purpose from Consultant's compensation. Consultant shall not be eligible for coverage under County's workers' compensation insurance plan nor shall Consultant be eligible for any other County benefit. Consultant must issue W-2 and 941 Forms for income and employment tax purposes, for all of Consultant's assigned personnel under the terms and conditions of this agreement.

Section 10. INDEMNIFICATION.

- A. To the fullest extent permitted by law, Consultant shall indemnify and hold harmless County, its elected officials, officers, employees, agents, and volunteers against all claims, suits, actions, costs, expenses (including, but not limited to, reasonable attorney's fees of County Counsel and counsel retained by County, expert fees, litigation costs, and investigation costs), damages, judgments, or decrees arising from the work or the provision of services undertaken pursuant to this agreement by Consultant, or by any of Consultant's subcontractors, any person employed under Consultant, or under any subcontractor, or in any capacity, except when the injury or loss is caused by the sole negligence or intentional wrongdoing of County. Consultant shall also, at Consultant's own expense, defend the County, its elected officials, officers, employees, agents, and volunteers, against any claim, suit, action, or proceeding brought against County, its elected officials, officers, employees, agents, and volunteers, arising from the work or the provision of services undertaken pursuant to this agreement by Consultant, or any of

Consultant's subcontractors, any person employed under Consultant, or under any Subcontractor, or in any capacity. Consultant shall also defend and indemnify County for any adverse determination made by the Internal Revenue Service or the State Franchise Tax Board and/or any other taxing or regulatory agency and shall defend, indemnify, and hold harmless County with respect to Consultant's "independent contractor" status that would establish a liability on County for failure to make social security deductions or contributions or income tax withholding payments, or any other legally mandated payment. The provisions of this paragraph are intended to be interpreted as broadly as permitted by applicable law. This provision shall survive the termination, expiration, or cancellation of this agreement.

- B. For professional services provided under this agreement, Consultant shall indemnify, and hold harmless County, its elected officials, officers, employees, agents, and volunteers from and against any and all claims, demands, actions, losses, liabilities, damage, and costs, including reasonable attorneys' fees, to the extent arising out of or resulting from a negligent act, error, omission, willful misconduct, or the negligent performance of the professional services provided under this agreement. The provisions of this paragraph are intended to be interpreted as broadly as permitted by applicable law.

Section 11. INSURANCE COVERAGE.

- A. Without limiting Consultant's duties of defense and indemnification, Consultant and any subcontractor shall obtain, from an insurance carrier authorized to transact business in the State of California, and maintain continuously during the term of this agreement Commercial General Liability Insurance, including coverage for owned and non-owned automobiles, and other coverage necessary to protect County and the public with limits of liability of not less than \$1 million per occurrence; such insurance shall be primary as to any other insurance maintained by County.
- B. Consultant and any subcontractor shall obtain and maintain continuously required Workers' Compensation and Employer's Liability Insurance to cover Consultant, subcontractor, Consultant's partner(s), subcontractor's partner(s), Consultant's employees, and subcontractor's(s') employees with an insurance carrier authorized to transact business in the State of California covering the full liability for compensation for injury to those employed by Consultant or subcontractor. Each such policy shall be endorsed to state that the Workers' Compensation carrier waives its right of subrogation against *County, its elected officials, officers, employees, agents, and volunteers* which might arise in connection with this agreement. Consultant hereby certifies that Consultant is aware of the provisions of section 3700 of the Labor Code, which requires every employer to insure against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code, and Consultant shall comply with such provisions before commencing the performance of the work or the provision of services pursuant to this agreement.

- C. Consultant shall obtain and maintain continuously a policy of Errors and Omissions coverage with limits of liability of not less than \$1 million per occurrence.
- D. Consultant shall require subcontractors to furnish satisfactory proof to County that liability and workers' compensation and other required types of insurance have been obtained and are maintained similar to that required of Consultant pursuant to this agreement.
- E. With regard to all insurance coverage required by this agreement:
 - (1) Any deductible or self-insured retention exceeding \$25,000 for Consultant or subcontractor shall be disclosed to and be subject to approval by the County Risk Manager prior to the effective date of this agreement.
 - (2) If any insurance coverage required hereunder is provided on a "claims made" rather than "occurrence" form, Consultant or subcontractor shall maintain such insurance coverage with an effective date earlier or equal to the effective date of this agreement and continue coverage for a period of three years after the expiration of this agreement and any extensions thereof. In lieu of maintaining post-agreement expiration coverage as specified above, Consultant or subcontractor may satisfy this provision by purchasing tail coverage for the claims-made policy. Such tail coverage shall, at a minimum, provide the insurance coverage required hereunder for claims received and reported three years after the expiration date of this agreement.
 - (3) All insurance (except workers' compensation and professional liability) shall include an endorsement or an amendment to the policy of insurance which names *County, its elected officials, officers, employees, agents, and volunteers as additional insureds*. In the event that coverage is reduced or canceled, a notice of said reduction or cancellation shall be provided to County within 24 hours. Any available insurance proceeds in excess of the specified minimum limits and coverage pursuant to the terms of this agreement shall be applicable to the Additional Insured. The additional insureds coverage shall be equal to Insurance Service Office endorsement CG 20 10 for on-going operations, and CG 20 37 for completed operations.
 - (4) Each insurance policy (except for workers' compensation and professional liability policies), or an endorsement thereto, shall contain a "separation of insureds" clause which shall read:

"Separation of Insureds.

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and

- b. Separately to each suit insured against whom a claim is made or suit is brought.”
- (5) Consultant shall provide County with an endorsement or amendment to Consultant’s policy of insurance as evidence of insurance protection before the effective date of this agreement.
- (6) The insurance coverage required herein shall be in effect at all times during the term of this agreement. In the event any insurance coverage expires at any time during the term of this agreement, Consultant shall provide County, at least 20 days prior to said expiration date, a new endorsement or policy amendment evidencing insurance coverage as provided for herein for not less than the remainder of the term of this agreement or for a period of not less than one year. In the event Consultant fails to keep in effect at all times insurance coverage as herein provided and a renewal endorsement or policy amendment is not provided within 10 days of the expiration of the endorsement or policy amendment in effect at inception of this agreement, County may, in addition to any other remedies it may have, terminate this agreement upon the occurrence of such event.
- (7) If the endorsement or amendment does not reflect the limits of liability provided by the policy of insurance, Consultant shall provide County a certificate of insurance reflecting those limits.
- (8) Any of Consultant’s Excess Insurance shall contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of County.

Section 12. NOTICE OF CLAIM; APPLICABLE LAW; VENUE.

- A. If any claim for damages is filed with Consultant or if any lawsuit is instituted concerning Consultant’s performance under this agreement and that in any way, directly or indirectly, contingently or otherwise, affects or might reasonably affect County, Consultant shall give prompt and timely notice thereof to County. Notice shall be prompt and timely if given within 30 days following the date of receipt of a claim or 10 days following the date of service of process of a lawsuit. This provision shall survive the termination, expiration, or cancellation of this agreement.
- B. Any dispute between the Parties, and the interpretation of this agreement, shall be governed by the laws of the State of California. Any litigation shall be venued in Shasta County.

Section 13. COMPLIANCE WITH LAWS; NON-DISCRIMINATION.

- A. Consultant shall observe and comply with all applicable present and future federal laws, state laws, local laws, codes, rules, regulations, and/or orders that relate to the work or services to be provided pursuant to this agreement.
- B. Consultant shall not discriminate in employment practices or in the delivery of services on the basis of race, color, creed, religion, national origin, sex, age, marital status, sexual orientation, medical condition (including cancer, HIV, and AIDS) physical or mental disability, use of family care leave under either the Family & Medical Leave Act or the California Family Rights Act, or on the basis of any other status or conduct protected by law.
- C. Consultant represents that Consultant is in compliance with and agrees that Consultant shall continue to comply with the Americans with Disabilities Act of 1990 (42 U.S.C. sections 12101, *et seq.*), the Fair Employment and Housing Act (Government Code sections 12900, *et seq.*), and regulations and guidelines issued pursuant thereto.
- D. No funds or compensation received by Consultant under this agreement shall be used by Consultant for sectarian worship, instruction, or proselytization. No funds or compensation received by Consultant under this agreement shall be used to provide direct, immediate, or substantial support to any religious activity.
- E. In addition to any other provisions of this agreement, Consultant shall be solely responsible for any and all damages caused, and/or penalties levied, as the result of Consultant's noncompliance with the provisions of this section.

Section 14. ACCESS TO RECORDS; RECORDS RETENTION.

- A. County, federal, and state officials shall have access to any books, documents, papers, and records of Consultant that are directly pertinent to the subject matter of this agreement for the purpose of auditing or examining the activities of Consultant or County. Except where longer retention is required by federal or state law, Consultant shall maintain all records for five years after County makes final payment hereunder. This provision shall survive the termination, expiration, or cancellation of this agreement.
- B. Consultant shall maintain appropriate records to insure a proper accounting of all funds and expenditures pertaining to the work performed or the services provided pursuant to this agreement. Consultant shall maintain records providing information that account for all funds and expenses related to the provision of services provided pursuant to this agreement. Access to these records shall be provided to County during working days, 8:00 a.m. to 5:00 p.m. and at other times upon reasonable notice by County, and upon request of state and federal agencies charged with the administration of programs related to the work or services to be provided pursuant to this agreement.

- C. Consultant agrees to accept responsibility for receiving, replying to, and/or complying with any audit exception by appropriate federal, state, or County audit directly related to the provisions of this agreement. Consultant agrees to repay County the full amount of payment received for duplicate billings, erroneous billings, audit exceptions, or false or deceptive claims. Consultant agrees that County may withhold any money due and recover through any appropriate method any money erroneously paid under this agreement if evidence exists of less than full compliance with this agreement including, but not limited to, exercising a right of set-off against any compensation payable to Consultant.

Section 15. COMPLIANCE WITH CHILD, FAMILY, AND SPOUSAL SUPPORT REPORTING OBLIGATIONS.

Consultant's failure to comply with state and federal child, family, and spousal support reporting requirements regarding Consultant's employees or failure to implement lawfully served wage and earnings assignment orders or notices of assignment relating to child, family, and spousal support obligations shall constitute a default under this agreement. Consultant's failure to cure such default within 90 days of notice by County shall be grounds for termination of this agreement.

Section 16. LICENSES AND PERMITS.

Consultant, and Consultant's officers, employees, and agents performing the work or services required by this agreement, shall possess and maintain all necessary licenses, permits, certificates, and credentials required by the laws of the United States, the State of California, the County of Shasta, and all other appropriate governmental agencies, including any certification and credentials required by County. Failure to maintain the licenses, permits, certificates, and credentials shall be deemed a breach of this agreement and constitutes grounds for the termination of this agreement by County.

Section 17. PERFORMANCE STANDARDS.

Consultant shall perform the work or services required by this agreement in accordance with the industry and/or professional standards applicable to Consultant's work or services.

Section 18. CONFLICTS OF INTEREST.

Consultant and Consultant's officers and employees shall not have a financial interest, or acquire any financial interest, direct or indirect, in any business, property, or source of income that could be financially affected by or otherwise conflict in any manner or degree with the performance of the work or services required under this agreement.

Section 19. NOTICES.

- A. Except as provided in section 6.C. of this agreement (oral notice of termination due to insufficient funding), any notices required or permitted pursuant to the terms and provisions of this agreement shall be given to the appropriate Party at the address specified below or at such other address as the Party shall specify in writing Such

notice shall be deemed given: (1) upon personal delivery; or (2) if sent by first class mail, postage prepaid, two days after the date of mailing.

If to County: Paul Hellman, Director
Shasta County Department of Resource Management
1855 Placer Street, Suite 200
Redding, CA 96001
(530) 225-5789

Copy to: Rick Gurrola, Agricultural Commissioner and Sealer of
Weights & Measures
Shasta County Department of Agriculture / Weights &
Measures
3179 Bechelli Lane, Suite 210
Redding, CA 96002
(530) 224-4949

If to Consultant: Alice Tackett, Project Manager
Michael Baker International, Inc.
2729 Prospect Park Drive, Ste 220
Rancho Cordova, CA 95670
(916) 517-4405

- B. Any oral notice authorized by this agreement shall be given to the persons specified in Section 19.A. and shall be deemed to be effective immediately.
- C. Unless otherwise stated in this agreement, any written or oral notices on behalf of the County as provided for in this agreement may be executed and/or exercised by the County Executive Officer.

Section 20. AGREEMENT PREPARATION.

It is agreed and understood by the Parties that this agreement has been arrived at through negotiation and that neither Party is to be deemed the Party which created any uncertainty in this agreement within the meaning of section 1654 of the Civil Code.

Section 21. COMPLIANCE WITH POLITICAL REFORM ACT.

Consultant shall comply with the California Political Reform Act (Government Code, sections 81000, *et seq.*), with all regulations adopted by the Fair Political Practices Commission pursuant thereto, and with the County's Conflict of Interest Code, with regard to any obligation on the part of Consultant to disclose financial interests and to recuse from influencing any County decision which may affect Consultant's financial interests. If required by the County's Conflict of Interest Code, Consultant shall comply with the ethics training requirements of Government Code sections 53234, *et seq.*

Section 22. PROPERTY TAXES.

Consultant represents and warrants that Consultant, on the date of execution of this agreement, (1) has paid all property taxes for which Consultant is obligated to pay, or (2) is current in payments due under any approved property tax payment arrangement. Consultant shall make timely payment of all property taxes at all times during the term of this agreement.

Section 23. SEVERABILITY.

If any portion of this agreement or application thereof to any person or circumstance is declared invalid by a court of competent jurisdiction or if it is found in contravention of any federal or state statute or regulation or County ordinance, the remaining provisions of this agreement, or the application thereof, shall not be invalidated thereby and shall remain in full force and effect to the extent that the provisions of this agreement are severable.

Section 24. COUNTY'S RIGHT OF SETOFF.

To the fullest extent permitted by law, County shall have the right but not the obligation, to setoff, in whole or in part, against any compensation owed to Consultant or any of its subsidiaries under any contract with the County, any amount of any Federal or State audit liability owed by or claimed or asserted against the County or any amounts owed to County by Consultant or its subsidiaries.

Section 25. CONFIDENTIALITY.

During the term of this agreement, both Parties may have access to information that is confidential or proprietary in nature. Both Parties agree to preserve the confidentiality of and to not disclose any such information to any third party without the express written consent of the other Party or as required by law. This provision shall survive the termination, expiration, or cancellation of this agreement.

Section 26. SCOPE AND OWNERSHIP OF WORK.

All research data, reports, and every other work product of any kind or character arising from or relating to this agreement shall become the property of the County and be delivered to the County upon completion of its authorized use pursuant to this agreement with the exception of informal communications such as emails and staff notes, whether those communications or notes are internal to Consultant's staff or between Consultant and any subconsultants. County may use Consultant's work products for any purpose whatsoever. County acknowledges that its alteration of documents without consent of Consultant, or use of the documents for any purpose other than the Project, is at the County's own risk and without liability to Consultant. All works produced under this agreement shall be deemed works produced by a contractor for hire, and all copyright with respect thereto shall vest in the County without payment of royalty or any other additional compensation. Notwithstanding anything to the contrary contained in this agreement, Consultant shall retain all of Consultant's rights in Consultant's own proprietary

information, including, without limitation, Consultant's methodologies and methods of analysis, ideas, concepts, expressions, know how, methods, techniques, skills, knowledge, and experience possessed by Consultant prior to, or acquired by Consultant during the performance of this agreement and Consultant shall not be restricted in any way with respect thereto.

Section 27. FORCE MAJEURE

Neither party shall have any claim or right against the other for any failure of performance where such failure of performance is caused by or is the result of acts of God; fire; flood; or other natural catastrophe; acts of any governmental body; labor dispute or shortage; national emergency; insurrection; riot; or war.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, County and Consultant have executed this agreement on the dates set forth below. By their signatures below, each signatory represents that he/she has the authority to execute this agreement and to bind the Party on whose behalf his/her execution is made.

COUNTY OF SHASTA

Date: _____

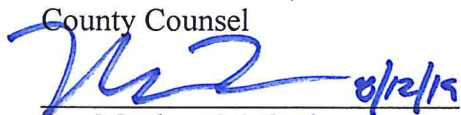
Leonard Moty, CHAIRMAN
Board of Supervisors
County of Shasta
State of California

ATTEST:

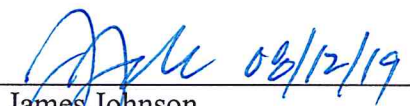
LAWRENCE G. LEES
Clerk of the Board of Supervisors

By: _____
Deputy

Approved as to form:
RUBIN E. CRUSE, JR
County Counsel



By: Matthew McOmber
Senior Deputy County Counsel

RISK MANAGEMENT APPROVAL

By:  08/12/19
James Johnson
Risk Management Analyst III

CONSULTANT

Date: August 15, 2019


By: _____
Thomas G. Tracy, Associate Vice President
Michael Baker International, Inc.
Tax I.D.#: On File

ATTACHMENT A

SCOPE OF WORK

1. Consultant shall prepare an environmental impact report (EIR) in full compliance with the California Environmental Quality Act (CEQA) to evaluate the potential environmental effects of Shasta County's proposed Cooperative Service Agreement with US Department of Agriculture Animal and Plant Health Inspection Services – Wildlife Services for providing integrated wildlife damage management (IWDM) assistance to the County (the Project).
2. Paul Hellman, Shasta County Resource Management Director, shall serve as Consultant's primary contact at County.
3. Task 1: Notice of Preparation and Scoping Meeting.

Consultant shall prepare an administrative draft Notice of Preparation (NOP) for the County's review, make revisions based on County comments, and prepare the NOP for public circulation. The NOP will include the Initial Study completed in April 2019 as an attachment. No modifications to the Initial Study are included in this scope. Consultant will coordinate with County on preliminary identification of project alternatives to be identified in the NOP. Consultant shall submit the NOP to the State Clearinghouse (SCH) using the Summary Form for Electronic Document Submittal, along with a Notice of Completion (NOC), which serves as an environmental document transmittal form for the SCH. Consultant shall coordinate with County staff to ensure delivery to SCH coincides with County's distribution of the NOP to its mailing list. Consultant shall coordinate with County staff to arrange the date, time, and venue for a public scoping meeting during the 30-day NOP review period and public and County Clerk noticing as required under CEQA (e.g., direct mailings and newspaper notices), including posting on the County's website. Consultant shall work with County staff on the meeting agenda and presentation materials. Consultant's project manager will attend the scoping meeting, give a short presentation about the EIR process, and be available to answer questions about the EIR process. County staff will also attend the meeting and give a presentation about the project itself and answer any questions related to the project. Consultant shall prepare sign-in sheets and hand-out, with the hand-out anticipated to be a paper copy of the presentation slides.

4. Task 2: Administrative Draft EIR.

Consultant shall prepare an Administrative Draft EIR (ADEIR) in conformance with CEQA and the CEQA Guidelines. The following describes the components of the EIR.

Executive Summary. Consultant shall prepare an executive summary not to exceed 15 pages that will include the contents required under CEQA Guidelines Section 15123. The summary will identify areas of controversy known to the County including issues raised by agencies and the public; issues to be resolved including the choice among alternatives, and significant effects (if any) and mitigation measures or alternatives to reduce effects.

The summary will also include a table summarizing impacts and their levels of significance.

Introduction and Project Description. The introduction will include a summary of the project and the County's environmental screening and scoping process as the background and rationale for limiting the scope of the EIR.

The project description will include the project location, brief history, project objectives, and all components required by CEQA. Consultant assumes County staff will develop the list of project objectives, which are important to the analysis of alternatives. Consultant shall prepare a draft project description for County staff review prior to incorporating into the ADEIR.

The description will include program components specific to Shasta County, which will be supplemented with a separate stand-alone background section. The purpose of the background section is to explain how the federal program operates and to provide information that helps inform the general reader and decision-makers about various issues regarding wildlife damage management. Attachment A to the Initial Study completed in April 2019 will provide the basis for the EIR background section, to be supplemented where necessary.

Analysis of Environmental Effects. The Consultant will ensure that the EIR complies with all applicable CEQA laws, regulations, and guidelines, including but not limited to with respect to the numbers and types of topics addressed in the EIR. The EIR will focus on at least one topic, biological resources. Consultant shall include in the EIR all other environmental topics unless such other topics have been identified not to be significant in an initial study prepared by Shasta County and have been confirmed not be significant through the NOP process. Such topics shall either be addressed in an "Effects Not Found to be Significant" section of the EIR or in an initial study prepared by Shasta County and attached to the EIR. In addition to Biological Resources and Effects Found Not Significant sections, the EIR will include a section to address other environmental issues required by CEQA. Descriptions of the proposed Biological Resources, Effects Found Not Significant, and Other Required CEQA Topics sections is provided below.

Biological Resources. Consultant shall prepare a comprehensive biological resources section focusing on potential impacts on common wildlife species as those are the species that are managed by APHIS-WS under the IWDM program. Consultant shall also address threatened and endangered species; however, based on the APHIS-WS program's directives, take of protected species is not authorized under County-funded CSAs. The analysis of this topic will therefore contain an appropriate level of detail as required by applicable CEQA laws, regulations, and guidelines. Consultant will define an historic baseline using data it obtains from APHIS-WS to assess how prior activities involving lethal methods may have affected species populations. Based on that evaluation, Consultant will prepare a detailed analysis of all potentially significant direct, indirect, and cumulative impacts of the project compared to baseline conditions. Population-based analyses will be quantitative, while others such as wildlife corridors, consistency with General Plan

policies, and general ecological effects will be qualitative. Technical data will be included in appendices.

Effects Found Not Significant. The Draft EIR will include a separate “Effects Found Not Significant” section as provided for under CEQA Guidelines Section 15128 (Effects Not Found to be Significant). This section will provide brief analyses for all topics in the 2019 CEQA Guidelines Appendix G (except for Biological Resources) indicating the reasons why possible impacts were determined not be significant and were therefore not discussed in detail in the EIR. This section will incorporate the Initial Study completed in April 2019, but the content of this section may be refined depending on comments received on the NOP.

Other Required CEQA Topics. In addition to a discussion of the project’s potential significant environmental effects, the CEQA Guidelines (Section 15126) require EIRs to include an analysis of: Significant Environmental Effects Which Cannot be Avoided if the Proposed Project is Implemented; Significant Irreversible Environmental Changes Which Would be Involved in the Proposed Project Should it be Implemented; and Growth-Inducing Impact of the Proposed Project. The Draft EIR will also include an “Other Required CEQA Topics” section to address these items and any other environmental impact analyses required by CEQA that are not addressed elsewhere in the Draft EIR.

Alternatives. Consultant shall work with the County staff to develop a reasonable range of feasible alternatives based on CEQA guidance, project objectives, and suggestions received during the scoping process. Consultant anticipates one or more alternatives that may examine non-lethal methods. The alternatives analysis will provide a comparative analysis of alternatives at a level of detail consistent with CEQA requirements and available information. For budgeting purposes, Consultant assumes no more than five alternatives evaluated in detail, including the no project alternative, and a brief evaluation of alternatives deemed infeasible for detailed analysis, if any.

Assembly Bill 52 Consultation. The Project will be subject to Assembly Bill (AB) 52. Consultant assumes the County will continue to manage tribal consultation pursuant to AB 52, and Consultant will report the results in the EIR.

5. Task 3: Screencheck and Public Review Draft EIR.

Based on one set of consolidated comments from the County, Consultant shall incorporate the County’s comments on the ADEIR and prepare a screencheck Draft EIR for County review to ensure that revisions are acceptable. Following County approval of the screencheck, Consultant shall prepare Draft EIR for public circulation. Our scope assumes County staff comments on the screencheck will be minor. A second screencheck is not included in this scope of work. Consultant shall prepare a Notice of Availability (NOA) for County public noticing use. Our scope assumes the County will be responsible for public noticing required under CEQA, distribution of documents to parties on its mailing list, including local libraries, and posting the Draft EIR on the County’s website.

Consultant shall prepare the NOC and submit the Draft EIR to the SCH for 45-day review. Our scope assumes the SCH submittal will consist of the Executive Summary with attached CDs containing the Draft EIR and its appendices.

6. Task 4: Administrative Final and Final EIR.

Based on public and agency comments on the Draft EIR, Consultant shall prepare an Administrative Final EIR for review and comment by the County. Based on one set of consolidated comments from the County, Consultant shall incorporate the County's comments on the Administrative Final EIR and prepare a screencheck Final EIR for county review to ensure that revisions are acceptable. Following County approval of the screencheck, Consultant shall prepare Final EIR for County use. Our scope assumes County staff comments on the screencheck will be minor.

This scope of work assumes a "higher than normal" level of effort for responses to comments due to ongoing controversy associated with the program. Consultant shall coordinate with the County regarding the anticipated level of effort if additional analysis is required.

If the results of the analysis identify mitigation measures, Consultant shall prepare a Mitigation Monitoring and Reporting Plan and administrative draft Findings of Fact and a Statement of Overriding Considerations (if necessary) based on a format template provided by the County. Consultant assumes that the County will finalize and take ownership of any such findings.

Consultant's project manager will attend one County Board of Supervisors public meeting at which the EIR will be considered for certification. Consultant shall prepare a short presentation for inclusion in the County's presentation summarizing the EIR process, impact and alternatives analysis conclusions, and comments received on the Draft EIR. Consultant assumes County staff will present the project itself and respond to any questions related to it.

Consultant assumes County staff will prepare the Notice of Determination (NOD) for filing with the SCH and Shasta County Clerk and payment of applicable California Department of Fish and Wildlife (CDFW) fees.

7. Task 5: Project Management/Meetings.

Consultant's project manager will maintain regular contact with County staff throughout the course of the project. For budgeting purposes, this scope assumes that the project manager will participate in ten (10) conference calls at 1 hour each. This task also includes hours for ensuring compliance with Consultant's Quality Assurance Program. As part of that program, Consultant's costs for technical editing by a professional technical writer are accounted for in the overall fee for Tasks 1 through 4.

8. Consultant shall provide County the following Deliverables:

A. Task 1 (NOP and Scoping Meeting)

- One (1) electronic copy (MS Word and Adobe Acrobat pdf) of the draft NOP for County staff review and one (1) electronic copy (pdf) of the final NOP for website posting and County printing for distribution
- Fifteen (15) hard copies of the SCH Summary Form with NOP/Initial Study on CD and NOC for submittal to the State Clearinghouse
- Scoping Meeting sign-in sheets and hand-outs

B. Task 2 (Administrative Draft EIR)

- Draft Project Description in electronic (MS Word)
- One (1) electronic copy (MS Word and Adobe Acrobat pdf) of the Administrative Draft EIR

C. Task 3 (Screencheck and Public Review Draft EIR)

- One (1) electronic copy (MS Word and Adobe Acrobat pdf) of the Screencheck Draft EIR for County staff review
- One (1) electronic copy (Adobe Acrobat pdf) of the Draft EIR for posting on the County's website
- Fifteen (15) hardcopies of the Executive Summary with attached CDs to the State Clearinghouse;
- Ten (10) bound copies of the Draft EIR for the County's use

D. Task 4 (Administrative Final and Final EIR)

- One (1) electronic copy (MS Word) of the Administrative Final EIR
- One (1) electronic copy (MS Word and Adobe Acrobat pdf) of the Screencheck Administrative Final EIR for County staff review
- One (1) electronic copy (Adobe Acrobat pdf) of the Final EIR
- Ten (10) bound copies of the Final EIR for the County's use
- One (1) electronic copy (MS Word) of the Mitigation Monitoring and Reporting Plan (if required)
- One (1) electronic copy (MS Word) of the draft Findings of Fact and Statement of Overriding Considerations (if required)

E. Task 5 (Project Management/Meetings)

- Ten (10) conference calls, approximately one-hour each

11. Consultant shall provide services on such dates and at such times as specified by the County. Specific date(s) to be mutually agreed upon by the County and Consultant. Factors that may affect schedule include timely receipt of information from APHIS-WS and the County, County staff review times, number and/or complexity of public comments received during the NOP review period and/or on the Draft EIR, issues that may arise in similar environmental documents in progress for other jurisdictions which may be germane to the EIR that may take additional time to address, or other circumstances that cannot be reasonably foreseen at this time.

Attachment A
SCOPE OF WORK
Page 6

12. Pursuant to the California Environmental Quality Act (CEQA), the County retains absolute sole discretion over any actions necessary to comply with CEQA, and this agreement imposes no duty or obligation on the County to approve any land use applications or make any particular findings pursuant to CEQA.

PROJECT BUDGET

Consultant shall provide the above services to be billed on a time-and-materials basis for a not-to-exceed cost of \$49,120.00 as itemized below.

Task	Budget
Task 1: NOP and Scoping Meeting	\$3,845
Task 2: Administrative Draft EIR	\$18,535
Task 3: Screencheck/Public Review Draft EIR	\$7,730
Task 4: Administrative Final EIR/Final EIR	\$11,620
Task 5: Project Management	\$4,090
<i>Subtotal Labor</i>	\$45,820
Direct Expenses	\$3,300
Total	\$49,120

Consultant reserves the right to reallocate budget between tasks.

The total fee is based upon the following assumptions:

- a. Direct expenses include: printing (15 SCH Summary Form for NOP with CDs attached, 10 paper copies with CDs for DEIR, 10 paper copies for FEIR, 15 paper copies of DEIR executive summary with 15 CDs for SCH distribution; Scoping Meeting sign-in sheets, presentation handout, and 15 paper copies NOP (without CD); travel for meetings and hearings, overnight and regular mail delivery fees/postage; and miscellaneous.
- b. The DEIR will contain the sections described in Task 2. If additional technical sections and/or additional biological resources analysis are necessary as a result of public comments on the NOP, Consultant will coordinate with the County to determine level of effort and associated scope of work/fee estimate. A cost/benefit analysis of the APHIS-WS IWDM program is not included.
- c. Preparation of additional County internal review versions (e.g., second Screencheck DEIR or second Screencheck FEIR) are not included.
- d. The FEIR fee assumes no more than eight letters of easy to moderate complexity and two letters requiring extensive level of effort to prepare responses to comments. If additional letters are received with comments resulting in the need for additional technical analysis to prepare responses beyond that assumed, Consultant shall coordinate with the County to determine level of effort and associated scope of work/fee estimate, if any is required, separate from this proposal.

Attachment A
SCOPE OF WORK
Page 7

- e. Factors that may change the level of effort beyond that assumed in this fee estimate include regulatory changes during the timeframe of this contract that are directly applicable to the project, issues that may arise from similar environmental documents made available for public review during the timeframe of this contract and that may be germane to the analysis in the DEIR, legal considerations, including relevant California Appellate or Supreme Court opinions that may be issued during the timeframe of this contract, and other unforeseen circumstances. Consultant shall advise County immediately should any of these situations arise to determine how such actions might affect cost and timeline.
- f. Consultant will provide a variety of qualified professional, technical, and administrative staff to complete the services. Such staff will be billed at the rates as shown in Consultant's current Standard Rate Sheet, attached. Invoice will include staff classifications and hourly rates.

Attachment A
SCOPE OF WORK
Page 8

Michael Baker
INTERNATIONAL

2018-2019 Rate Schedule

Comprehensive Planning Services		Sustainability	
Project Director/Advisor	\$180 - \$250	Project Director/Advisor	\$180 - \$250
Principal Planner	\$150 - \$195	Principal Climate Change Analyst	\$145 - \$175
Project Manager	\$130 - \$160	Program Manager	\$130 - \$160
Assistant Project Manager	\$120 - \$135		
Senior Planner	\$120 - \$160	Conservation & Resource Planning	
Land Use Planner	\$120 - \$135	Project Director/Advisor	\$180 - \$250
Associate Planner	\$95 - \$120	Senior Conservation Planner	\$110 - \$150
Assistant Planner	\$85 - \$105	Conservation Planner	\$95 - \$125
Planning Technician	\$65 - \$85		
Environmental Services		Biology	
Project Director/Advisor	\$180 - \$250	Project Director/Advisor	\$180 - \$250
CEQA Project Manager	\$125 - \$185	Senior Biologist	\$120 - \$160
Senior Environmental Planner	\$120 - \$160	Associate Biologist	\$90 - \$130
Associate Environmental Planner	\$95 - \$130		
Urban Design & Revitalization		GIS	
Project Director/Advisor	\$180 - \$250	GIS Manager	\$125 - \$155
Senior Urban Designer	\$165 - \$190	GIS Analyst	\$95 - \$125
Urban Designer	\$105 - \$130		
Transportation Services		Housing & Redevelopment	
Project Director/Advisor	\$180 - \$250	Project Manager	\$125 - \$175
Transportation Planner	\$150 - \$180	Senior Housing Planner	\$95 - \$125
		Associate Housing Planner	\$80 - \$100
		Grant Technician	\$75 - \$90
Public Outreach		Management Services	
Project Director/Advisor	\$180 - \$250	Principal	\$225 - \$285
Senior Public Information Officer	\$120 - \$150	Associate Principal	\$195 - \$250
Public Information Officer	\$90 - \$120	Senior Associate	\$180 - \$250
Public Engagement Coordinator	\$90 - \$120		
Creative Services		Municipal Finance	
Graphics Production Manager	\$125 - \$150	Project Director/Advisor	\$180 - \$250
Graphic/Web Designer	\$80 - \$125	Municipal Finance Manager	\$145 - \$175
		Municipal Finance Coordinator	\$125 - \$155
		Municipal Finance Analyst	\$85 - \$125
Grant Writing		Meeting Facilitation	
Principal Grant Writer	\$80 - \$135	Facilitation Services	\$115 - \$185
Assistant Grant Specialist	\$70 - \$95		
SMARA Services		Administrative Services	
Geologist	\$150 - \$195	Technical Editor	\$85 - \$125
Senior Inspector	\$120 - \$160	Administrative Support	\$65 - \$95
Associate Inspector	\$100 - \$130		

Reimbursable expenses and subconsultants are billed at cost plus 10% administrative mark-up.
Rates are subject to a 3% increase each year.
May not include all staff titles.

REPORT TO SHASTA COUNTY BOARD OF SUPERVISORS

BOARD MEETING DATE: September 10, 2019

CATEGORY: Consent - General Government-5.

SUBJECT:

Claims List

DEPARTMENT: Auditor-Controller

Supervisory District No. : ALL

DEPARTMENT CONTACT: Brian Muir, Auditor-Controller, (530) 225-5541

STAFF REPORT APPROVED BY: Brian Muir, Auditor-Controller

Vote Required?	General Fund Impact?
Simple Majority Vote	No Additional General Fund Impact

RECOMMENDATION

Approve and authorize the Chairman to sign the County claims list in the amount of \$38,517.50 as submitted.

SUMMARY

DISCUSSION

ALTERNATIVES

OTHER AGENCY INVOLVEMENT

FINANCING

ATTACHMENTS:

Description

BOS 091019 CLAIMS LIST

Upload Date

8/30/2019

Description

BOS 091019 CLAIMS
LIST

ORIGINAL

COUNTY OF SHASTA
OFFICE OF AUDITOR-CONTROLLER
REPORT OF CLAIMS REQUIRING BOARD ACTION IN ORDER TO
AUTHORIZE PAYMENT BY AUDITOR-CONTROLLER
09/10/2019

FUND/DEPT/ACCT	DEPARTMENT	PAYEE	DESCRIPTION	Amount	REASON	DEPARTMENT'S EXPLANATION
30100/034800		DAN PALMER BROKERING INC	JULY 2019 HAULING	\$ 37,962.50	Per Shasta County Contracts Manual 6-101 Section 1.3.3, and Gov Code section 29741, the Auditor-Controller may only pay claims for services that have been authorized by contract. Contract with vendor does not cover all services provided. Exceeded contracted maximum by \$29,668.75 which requires board approval.	SEE ATTACHED MEMO FROM DEPARTMENT
50100/033500	HHSA	GEMALTO COGENT INC	LIVESCAN MAINT 7/1/16-6/30/17	\$ 555.00	Per Admin Policy 2-201 and Gov Code sections 910 and 911.2 invoices older than one year require Board approval.	SEE ATTACHED MEMO FROM DEPARTMENT
	TOTAL			\$ 38,517.50		

Auditor's Certification:

I certify that the foregoing is a true list of claims properly and regularly coming before the Shasta County Board of Supervisors, and that the computations are correct.

Date: 8/30/19 Signature: 



Approval of Claims:

These claims were allowed and the Claims List was approved as correct, by vote of the Board of Supervisors on this date.

Date: _____

Chairman
Board of Supervisors
County of Shasta

COUNTY
OF
SHASTA

DEPARTMENT OF PUBLIC WORKS

Pat Minturn, Director

MEMORANDUM

FFM 020004

DATE: August 28, 2019

TO: Brian Muir, Auditor-Controller

FROM: Troy Bartolomei, Deputy Public Works Director



SUBJECT: Board Claim: Dan Palmer Broker, Inc. – Invoices 5856, 5857 & 5896

The County maintains on-call aggregate contracts for private trucking. Compensation is by the hour with a not-to-exceed maximum. The maximum contract amount was exceeded by \$29,668.75. The trucking was for paving in the intermountain area. There were paving contracts in place with amounts available. The Dan Palmer Broker, Inc. contract was used in error. An improved method for tracking usage of trucking agreements has been implemented.

/ldr

Attachments:

Invoice 5856

Invoice 5857

Invoice 5896

SHASTA COUNTY AUDITOR
REC'D 2019 AUG 29 AM 11:03

Dan Palmer Broker, Inc.

7211 Sands Lane
Anderson, CA 96007**Invoice**

Date	Invoice #
7/16/2019	5856

Bill To
SHASTA COUNTY ROAD DEPARTMENT 1855 PLACER STREET REDDING, CA 96001

Ship To

P.O. Number	Terms	Rep	Ship	Via	F.O.B.	Project
	Due on receipt		7/16/2019	TRANSFER		

Quantity	Item Code	Description	Price Each	Amount
		AGGREGATE PRODUCTS TO LOCAL DELIVERIES		
10.25	Asphalt Concrete	#246907 DP4 MITCHUM	115.00	1,178.75
10.25	Asphalt Concrete	#259871 GILES	115.00	1,178.75
10.25	Asphalt Concrete	#260122 DP38 JACKSON	115.00	1,178.75
10.5	Asphalt Concrete	#260184 DP10 GARCIA	115.00	1,207.50
11.5	Asphalt Concrete	#280910 EAGLE PAVING	115.00	1,322.50
12.25	Asphalt Concrete	#283327 NORTHWEST PAVING	115.00	1,408.75
11.75	Asphalt Concrete	#297125 EAGLE PAVING	115.00	1,351.25
11.75	Asphalt Concrete	#68996 NW1 WOOD	115.00	1,351.25

PLEASE PAYABLE TO:
DAN PALMER
BROKER
INC.
THANKYOU!

			Total	\$10,177.50
--	--	--	--------------	-------------

Page 64 of 432

Dan Palmer Broker, Inc.

7211 Sands Lane
Anderson, CA 96007**Invoice**

Date	Invoice #
7/22/2019	5896

Bill To
SHASTA COUNTY ROAD DEPARTMENT 1855 PLACER STREET REDDING, CA 96001

Ship To

P.O. Number	Terms	Rep	Ship	Via	F.O.B.	Project
	Due on receipt		7/22/2019	TRANSFER		
Quantity	Item Code	Description			Price Each	Amount
		AGGREGATE PRODUCTS TO CASSEL / FALL RIVER RD				
11.75	Asphalt Concrete	#247531 WHEELER			115.00	1,351.25
11	Asphalt Concrete	#259874 GILES			115.00	1,265.00
11	Asphalt Concrete	#260801 DP10 GARCIA			115.00	1,265.00
11.5	Asphalt Concrete	#283026 DIRT ROAD			115.00	1,322.50
12	Asphalt Concrete	#69000 NWP55 WOOD			115.00	1,380.00
11.5	Asphalt Concrete	#69269 DP38 JACKSON			115.00	1,322.50
11	Asphalt Concrete	#70054 DP5 CAMERA			115.00	1,265.00
11	Asphalt Concrete	#70140 DP4 MITCHUM			115.00	1,265.00
<div>MAKE PAYABLE TO: DAN PALMER BROKERING INC. THANK YOU!</div>						
					Total	\$10,436.25



Shasta County
**Health & Human
Services Agency**

**Business and Support
Services Branch**

Inter-Office Memorandum

To: Brian Muir, Auditor Controller

From: Tracy Tedder, HHSA Branch Director

Date: August 20, 2019

Re: Board Claim for Gemalto

Megawong for

The Health and Human Services Agency contracted with Gemalto to provide Livescan hardware and software maintenance and support for multiple years.

Invoice 356128 dated 6/28/2017 for \$555.00 was never received for payment by our Fiscal Department, and now requires Board approval to process payment.

SHASTA COUNTY - 11/03/2019
3:15 PM
RECEIVED

"Engaging individuals, families and communities to protect and improve health and wellbeing."

Tracy Tedder, Branch Director

www.shastahhsa.net



INVOICE

Gemalto Cogent, Inc.
639 North Rosemead Blvd.
Pasadena, Ca 91107 USA
Tel: +1 (626) 325-9600
Fax: +1 (626) 325-9700

Invoice Date	Invoice No.	Due Date
06/28/2017	356128	07/28/2017
Project Code	MAIN	

SOLD TO	CUSTOMER#
	C3832
Shasta County Health and Human Services Agency 1810 Market Street Redding CA 96001 USA	

SHIP TO ADDRESS
Shasta County Health and Human Services Agency 1810 Market Street Redding CA 96001 USA

DATE SHIPPED	Customer Ref. No.	SHIP VIA	Salesperson	TERMS
06/28/2017	Agreement 2014-2017		Violeta Rea	Net 30 Days

ITEM NO.	DESCRIPTION	QTY ORDER	UNIT PRICE	EXTENSION
Maintenance	Annual LS Maintenance - CS500e Livescan Booking Portable Station (Orig Inv 30356 under C2100)	1.00	555.00	555.00
POP	Maintenance Period: 7/1/2016-6/30/2017	1.00	0.00	0.00
MISC	CA Peer Service Provider - LSID PC1	1.00	0.00	0.00

AUG 20 ENT'D

0H750431

SUBTOTAL	DISCOUNT	FREIGHT	TAX	PAID TO DATE	TOTAL INVOICE USD
USD 555.00	USD 0.00	USD 0.00	USD 0.00	USD 0.00	USD 555.00

Please Remit Check to: Gemalto Cogent, Inc.
P.O.Box 845552 Dallas, TX 75284-5552 USA

Please send Wire/ACH payments to: Citibank
ABA: 021000089 SWIFT: CITIUS33 Account: 31086345

Form:CR_GCI_INV_wPymnt

Mary Benneche

From: Christine O'Neill
Sent: Wednesday, July 24, 2019 3:21 PM
To: Mary Benneche
Cc: Amber Condrey
Subject: FW: Old Gemalto Cogent invoice coming around again

Hi Mary,

PM Amber Condrey has approved payment of the Gemalto Cogent invoice for Annual Livescan Maintenance for 7/1/2016-6/30/2017.

Funding is:
50100 033500 WL1008 WL4359

Thank you.

Christine O'Neill
Senior Staff Services Analyst
phone 530-225-5876
fax 530-225-5190

www.shastahhsa.net



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From: Amber Condrey
Sent: Wednesday, July 24, 2019 3:05 PM
To: Christine O'Neill <coneill@co.shasta.ca.us>
Subject: RE: Old Gemalto Cogent invoice coming around again

I've reviewed and approve the Cogent invoice for annual maintenance.

Amber Condrey

Program Manager
Shasta County, Health and Human Services Agency - Children's Services
1313 Yuba Street
Redding CA 96001
530-225-5853
www.shastahhsa.net



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From: Christine O'Neill
Sent: Wednesday, July 24, 2019 10:17 AM
To: Amber Condrey <acondrey@co.shasta.ca.us>
Subject: FW: Old Gemalto Cogent invoice coming around again

Hi Amber,

We need approval to pay the attached invoice for Annual Livescan Maintenance for 7/1/2016-6/30/2017. Attached is the contract. Below is data that I pulled this morning from ONESolution that shows payment of the Annual Livescan Maintenance for 7/1/2011-6/30/2014 (prior contract) and for 7/1/2014-6/30/2015 and 7/1/2015-6/30/2016 of the contract attached above. I do not see that payment was made for the time period 7/1/2016-6/30/2017.

Cost Center	Account	Project	Activity	Posting Date	Description	Primary Reference	Amount
50100	033500	WL1008	WL4359	3/26/2014	3M COGENT INC 7/11-6/14 MAINT	216079	1110
50100	033500	WL1008	WL4359	8/22/2014	3M COGENT INC 14/15 MAINT SP	232280	555
50100	033500	WL1008	WL4359	7/9/2015	3M COGENT INC FY 15/16 MAINT S	268758	555

Thank you.

Christine O'Neill
 Senior Staff Services Analyst
 phone 530-225-5876
 fax 530-225-5190
www.shastahhsa.net



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From: Mary Benneche
Sent: Wednesday, July 24, 2019 8:06 AM
To: Amber Condrey <acondrey@co.shasta.ca.us>
Cc: Christine O'Neill <coneill@co.shasta.ca.us>; Jana Garcia <jl Garcia@co.shasta.ca.us>; Kista Haslam <khaslam@co.shasta.ca.us>
Subject: FW: Old Gemalto Cogent invoice coming around again

Good Morning:

I received another email regarding this invoice this morning. Do you have any input regarding this invoice?

Thank you in advance for your time,

Mary Benneche
Voice (530) 225-5664
Fax (530) 225-5555

www.shastahhsa.net



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From: Mary Benneche
Sent: Friday, March 15, 2019 1:09 PM
To: Amber Condrey <acondrey@co.shasta.ca.us>
Cc: Christine O'Neill <coneill@co.shasta.ca.us>
Subject: Old Gemalto Cogent invoice just discovered

Good Afternoon:

I contacted Gemalto Cogent today regarding the invoice from October that was never received. I now have a copy of that and will send you the email for review and approval shortly. However, in the meantime, while I was on the phone with the vendor they also found an invoice from June 2017, for an annual maintenance fee? I checked the payment history on this vendor's tracking and do not see we paid an annual fee anywhere from 2013 to today.

Will you please review the attached invoice and advise if this is something that we should pay. If so I will need to prepare a board claim.

Thank you in advance for your efforts and time,



HARDWARE AND SOFTWARE MAINTENANCE AND SUPPORT AGREEMENT

This Hardware and Software Maintenance and Support Agreement (the "**Agreement**") is made and entered into as of July 1, 2014 (the "**Effective Date**"), between 3M COGENT, INC., a Delaware corporation having its principal place of business at 639 North Rosemead Boulevard, Pasadena, California 91107 ("**Cogent**"), and Shasta County Health and Human Services, having its principal place of business at 1810 Market Street, Redding, California 96001 ("**Licensee**").

WHEREAS, Cogent has granted to Licensee certain license rights in the Software (as defined below);

WHEREAS, the Licensee has purchased the Hardware (as defined below) from Cogent; and

WHEREAS, Licensee desires to obtain and Cogent agrees to provide maintenance and support services for such Hardware and Software, in accordance with the terms and conditions of this Agreement;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree to the following terms and conditions, which set forth the rights, duties and obligations of the parties:

1. DEFINITIONS

1.1 "Additional Support Term" has the meaning set forth in Section 10.

1.2 "Documentation" means the written materials, including instructions, rules, guidelines, manuals, and/or procedures, associated with the Software that Cogent generally makes available to its licensees of such Software.

1.3 "Error" means a reproducible defect or combination of defects in the Software that results in a failure of the Software, when used in accordance with Cogent's instructions (including, without limitation, the applicable Documentation), to function substantially in accordance with the Specifications. As used hereunder, a reproducible defect will mean a defect that Cogent can reproduce using the most recent version of the Software, as delivered by Cogent to Licensee.

1.4 "Error Correction" means either (a) a bug fix, patch, or other modification or addition that, when made or added to the Software, corrects an Error, or (b) a procedure or routine that, when observed in the regular operation of the Software, eliminates the practical adverse effect of an Error on Licensee.

1.5 "Hardware" means the hardware purchased by Licensee from Cogent for use in connection with the Software and described on the Cogent invoice(s) listed in Exhibit C.

1.6 "Initial Support Term" has the meaning set forth in Section 10.

1.7 "Maintenance Release" means a subsequent version of the Software that includes Error Corrections and/or Upgrades.

1.8 "Software" means the computer program(s) licensed by Cogent to Licensee.

1.9 "Specifications" means the technical specifications for the Software as set forth in the applicable Documentation.

1.10 "Support Fees" has the meaning set forth in Section 7.1.

1.11 "Support Services" means the support and maintenance services provided by Cogent pursuant to this Agreement, as further described herein.



1.12 "Support Services Term" has the meaning set forth in Section 10.

1.13 "Technical Contact" means the person or persons designated by Licensee on Exhibit A, attached hereto, as the initial interface for Error reporting for the Software and fault reporting for the Hardware.

1.14 "Upgrade" means a revision of the Software released by Cogent during the Support Services Term generally to its end user customers receiving maintenance and support services from Cogent, which revision adds new and different functions to the Software or increases the capacity of the Software to process information. "Upgrade" does not include the release of a new product or added features for which Cogent generally imposes a separate charge. If a question arises as to whether a product offering is an Upgrade or a new product or feature, Cogent's opinion will prevail, provided that Cogent treats the product offering as a new product or feature for its end user customers generally.

2. HARDWARE MAINTENANCE

2.1 Fault Reporting. During the Support Services Term, on the terms and conditions of this Agreement, Cogent shall repair or replace without charge to Licensee any part of the Hardware found to be faulty by reason of defective material, design or workmanship. Hardware problems will be reported by Licensee through Licensee's Technical Contact to Cogent at the support number set forth on Exhibit B, as may be revised by Cogent from time to time. Each such report will be accompanied or followed by sufficient information to enable Cogent to determine the cause of the Hardware problem. Cogent will acknowledge each such report via telephone, facsimile transmission, or electronic mail to the Technical Contact and will use commercially reasonable efforts consistent with the severity of the problem to repair or replace the Hardware.

2.2 Response. Cogent will determine, in its sole discretion, the manner in which it will repair or replace the Hardware. If the nature of the Hardware requires an on-site visit by Cogent, Licensee will work with Cogent to provide access to such Hardware. Cogent will pay all shipping costs required to ship the faulty Hardware to and from Cogent.

2.3 Maintenance Limitations. Cogent shall not be required to repair or replace any Hardware if Cogent determines, in its sole and reasonable discretion, that the Hardware requires such repair or replacement to the extent arising from: (a) any changes or modifications to the Hardware or Software included on the Hardware, in each case that were not made by Cogent; (b) damage to the Hardware (other than normal wear and tear); (c) the failure of computer hardware, equipment, or software not supplied by Cogent; (d) the negligence of Licensee or any third party; (e) attempted maintenance by unauthorized persons; or (f) Licensee's use or improper use of the Hardware, or merging or combining the Hardware with any hardware or software not authorized by Cogent to be so merged or combined.

3. SUPPORT RESPONSIBILITY

3.1 Error Reporting. Cogent will provide Licensee with telephone support during Cogent's normal business hours of 8:00 a.m. to 5:00 p.m. Pacific Time, Monday through Friday, excluding Cogent holidays. Each Error experienced by Licensee related to Licensee's use of the Software will be reported by Licensee through Licensee's Technical Contact to Cogent at the support number set forth on Exhibit B, as may be revised by Cogent from time to time. Each such Error report will be accompanied or followed by sufficient information to enable Cogent to reproduce and verify the Error. Cogent will acknowledge each such reported Error via telephone, facsimile transmission, or electronic mail to the Technical Contact and will use commercially reasonable efforts consistent with the severity of the Error to reproduce and verify reported Errors and provide Error Corrections therefor. Cogent will determine, in its sole discretion, the priority level of each reported Error.



3.2 On-Site Support. Licensee may, from time to time, request emergency on-site support from Cogent, beyond the support described in Section 3.1, above. Cogent agrees to use commercially reasonable efforts to provide such emergency on-site support to Licensee, subject to the availability of appropriate Cogent personnel.

4. MAINTENANCE RELEASES

During the Support Services Term, Cogent will provide Licensee with Maintenance Releases if, as, and when Cogent makes any such Maintenance Releases generally available to its end user customers receiving maintenance and support services from Cogent. Licensee acknowledges and agrees that Cogent is under no obligation to issue Maintenance Releases under this Agreement and that the obligation to make available any Maintenance Releases under this Agreement applies only to those Maintenance Releases that have been commercially released by Cogent to its customers. Cogent will provide modified Documentation reflecting Maintenance Releases to the Software, as available.

5. SERVICE LIMITATIONS

Cogent is not obligated to provide Support Services in the following situations:

- 5.1** the Software has been changed, modified, or damaged (excluding modifications made by Cogent);
- 5.2** the Support Services are necessary due to: (a) failure of computer hardware, equipment, or software not supplied by Cogent; (b) the negligence of Licensee or any third party; (c) a cause or causes beyond the reasonable control of Cogent; or (d) attempted maintenance by unauthorized persons;
- 5.3** the Support Services are necessary due to Licensee's use or improper use of the Software, or merging or combining the Software with any hardware or software not authorized by Cogent to be so merged or combined;
- 5.4** Licensee has not installed and implemented any Error Corrections, Upgrades and/or Maintenance Releases provided by Cogent; or
- 5.5** Licensee has not paid the Support Fees, or any related fees or amounts, when due.

6. LICENSEE RESPONSIBILITIES

Licensee: (a) will be responsible for allowing Cogent to implement all Error Corrections, Upgrades, and/or Maintenance Releases furnished by Cogent and for paying all shipping costs in connection with Upgrades or Maintenance Releases; (b) acknowledges that all Software, Error Corrections, Upgrades, and Maintenance Releases provided by Cogent are subject to the conditions of the license agreement, and Licensee agrees to comply with those conditions; and (c) will fully cooperate and assist Cogent in the provision of the Support Services, including allowing full and free access, including, but not limited to remote access, to relevant hardware, software, and other information if reasonably required by Cogent.

7. FEES AND PAYMENTS

7.1 Support Fees. Licensee will pay annual support fees for the Support Services based on Cogent's then current annual rate for Support Services ("Support Fees"). Cogent's current annual Support Fees are set forth in the attached Exhibit C. Payment for the Initial Support Term will be due and payable on the Effective Date. Payment for each Additional Support Term will be due and payable by Licensee in advance of the commencement of such Additional Support Term, within thirty (30) days of the date of Cogent's invoice. Cogent reserves the right to increase the annual Support Fees for any Additional Support Terms and will give Licensee advance notice of such increases. If Licensee fails to purchase Support Services concurrently with Licensee's purchase of the Hardware



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and/or Software to be supported, or fails to renew Support Services upon termination of the Initial Support Term or any Additional Support Term, and Licensee subsequently desires to commence Support Services for the Hardware and/or Software, Cogent may, at its option, commence Support Services in accordance with Cogent's then-current policies and upon payment by Licensee of the then-applicable annual Support Fee and reinstatement fee for the period between Cogent's original delivery of the Hardware and/or Software or termination of the Initial Support Term or any Additional Support Term (whichever is later) and Licensee's purchase of the Support Services.

7.2 Taxes. All taxes and duties attributable to this Agreement (except taxes relating to Cogent's income), including sales, use, and any other tax assessed by local, state, or federal authorities, will be borne by Licensee. Licensee will reimburse Cogent for any such taxes and duties.

7.3 Late Payment. Any sums not paid when due will automatically accrue interest from the date when due until actually paid at a rate of eighteen percent (18%) per annum or the highest rate allowed by law, whichever is less.

8. DISCLAIMER OF WARRANTIES

COGENT DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, WITH REGARD TO SERVICES PROVIDED UNDER THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NON-INFRINGEMENT, AND ALL WARRANTIES THAT MAY ARISE FROM A COURSE OF DEALING, COURSE OF PERFORMANCE, OR USAGE OF TRADE. WITH RESPECT TO ANY HARDWARE FAULTS REPORTED BY LICENSEE TO COGENT, LICENSEE AGREES THAT COGENT'S SOLE AND EXCLUSIVE OBLIGATION AND LICENSEE'S SOLE AND EXCLUSIVE REMEDY UNDER THIS AGREEMENT IS FOR COGENT TO USE COMMERCIALY REASONABLE EFFORTS TO REPAIR OR REPLACE THE HARDWARE IN ACCORDANCE WITH COGENT'S MAINTENANCE OBLIGATIONS PURSUANT TO SECTION 2, ABOVE. WITH RESPECT TO ANY ERRORS REPORTED BY LICENSEE TO COGENT, LICENSEE AGREES THAT COGENT'S SOLE AND EXCLUSIVE OBLIGATION AND LICENSEE'S SOLE AND EXCLUSIVE REMEDY UNDER THIS AGREEMENT IS FOR COGENT TO USE COMMERCIALY REASONABLE EFFORTS TO CORRECT SUCH ERRORS IN ACCORDANCE WITH COGENT'S SUPPORT OBLIGATIONS PURSUANT TO SECTION 3, ABOVE.

9. LIMITATION OF LIABILITY

COGENT'S AGGREGATE LIABILITY UNDER OR IN CONNECTION WITH THIS AGREEMENT (WHETHER ARISING FROM CONTRACT OR OTHERWISE) IS LIMITED TO THE TOTAL AMOUNT OF FEES PAID BY LICENSEE UNDER THIS AGREEMENT DURING THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING COGENT'S RECEIPT OF NOTICE OF SUCH CLAIM. COGENT SHALL NOT BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES, WHETHER BASED UPON CONTRACT, TORT, OR ANY OTHER LEGAL THEORY, ARISING FROM ITS PERFORMANCE OR NONPERFORMANCE UNDER THIS AGREEMENT.

10. INSURANCE

Without limiting Consultant's duty of indemnification, Consultant and any subcontractor shall obtain, from an insurance carrier authorized to transact business in the State of California, and maintain continuously during the term of this agreement Commercial General Liability Insurance, including coverage for owned and non-owned automobiles, and other insurance necessary with limits of liability of not less than \$1 million combined single limit bodily injury and property damage; such insurance shall be primary in regards to Consultant's negligence as to any other insurance maintained by County.



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Consultant and any subcontractor shall obtain and maintain continuously required Workers' Compensation and Employer's Liability Insurance to cover Consultant, subcontractor, subcontractor's partner(s), Consultant's employees, and subcontractor's(s') employees with an insurance carrier authorized to transact business in the State of California covering the full liability for compensation for injury to those employed by Consultant or subcontractor. Each such policy shall be endorsed to state that the Workers' Compensation carrier waives its right of subrogation against the County, its elected officials, officers, employees, agents, and volunteers which might arise in connection with this agreement. Consultant hereby certifies that Consultant is aware of the provisions of section 3700 of the Labor Code, which requires every employer to insure against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code, and Consultant shall comply with such provisions before commencing the performance of the work or the provision of services pursuant to this agreement.

Consultant shall require subcontractors to furnish satisfactory proof to County that liability and workers' compensation and other required types of insurance have been obtained and are maintained similar to that required of Consultant pursuant to this agreement.

With regard to all insurance coverage required by this agreement:

All insurance (except workers' compensation and professional liability) shall include an endorsement or an amendment to the policy of insurance which names Shasta County as additional insureds and provides that coverage *shall not be reduced or canceled without 30 days written prior notice certain to the County*. Any available insurance proceeds in excess of the specified minimum limits and coverage pursuant to the terms of this agreement shall be applicable to the Additional Insured. The additional insureds coverage shall be equal to Insurance Service Office endorsement CG 20 10 for on-going operations, and CG 20 37 for completed operations.

Each insurance policy (except for workers' compensation and professional liability policies), or an endorsement thereto, shall contain a "separation of insureds" clause.

Consultant shall provide the County with a certificate of insurance as evidence of insurance protection before the effective date of this agreement.

The insurance coverage required herein shall be in effect at all times during the term of this agreement. In the event any insurance coverage expires at any time during the term of this agreement, Consultant shall provide a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of the term of this agreement or for a period of not less than one year. In the event Consultant fails to keep in effect at all times insurance coverage as herein provided and a certificate of insurance is not provided within 10 days of the expiration of the endorsement or policy amendment in effect at inception of this agreement, County may, in addition to any other remedies it may have, terminate this agreement upon the occurrence of such event.

Consultant shall provide County a certificate of insurance reflecting those limits.

Any of Consultant's Excess Insurance shall contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the County.

11. TERM AND TERMINATION

Term. This Agreement will commence on the Effective Date and, unless earlier terminated pursuant to the terms hereof, will continue for a period of **one (1) year** (the "**Initial Support Term**"). At the expiration of the Initial Support Term, this Agreement will be automatically renewed for two additional one-year terms (each an "**Additional Support Term**") under the same terms and conditions, unless either party notifies the other party in writing if its intent not to renew at least thirty (30) days prior to the end of the Initial Support Term or any



Additional Support Term (as applicable). The Initial Support Term and any Additional Support Terms are collectively referred to herein as the "Support Services Term."

Notwithstanding the foregoing, Licensee shall not be obligated for payments hereunder for any future fiscal year unless or until County's Board of Supervisors appropriates funds for this agreement in County's budget for that County fiscal year. In the event funds are not appropriated for this agreement, then this agreement shall terminate as of June 30 of the last County fiscal year for which funds for this agreement were appropriated. For the purposes of this agreement, the County fiscal year commences on July 1 and ends on June 30 of the following year. County shall notify Cogent in writing of such non-appropriation at the earliest possible date.

11.1 Discontinuance of Support Services. Cogent reserves the right to discontinue provision of the Support Services and terminate this Agreement should Cogent, in its sole discretion, determine that the continued provision of Support Services for any Hardware or Software is no longer economically feasible, considering such factors as possible obsolescence and other factors Cogent deems relevant. Cogent will give Licensee at least three (3) months prior written notice of any such discontinuance of Support Services and will refund any unaccrued Support Fees that Licensee may have prepaid with respect to the affected Software. In any event, Cogent will have no obligation to support or maintain any version of the Software or operating system except (a) the then-current version of the Software, and (b) the immediately preceding version of the Software for a period of six (6) months after it is first superseded.

11.2 Termination for Cause. If either party materially defaults in any of its obligations under this Agreement, the non-defaulting party, at its option, will have the right to terminate this Agreement by written notice to the other party unless, within thirty (30) calendar days after receiving written notice of such default, the defaulting party remedies the default. Without limiting the foregoing, Cogent will have the right to terminate this Agreement, immediately upon written notice to Licensee, if Licensee fails to pay any overdue Support Fees within fifteen (15) days of written notice and demand from Cogent.

11.3 Effect of Termination. Sections 1, 7 (to the extent fees or amounts due have accrued prior to expiration or termination), 8, 9, 11.3 and 11 will survive the expiration or termination of this Agreement for any reason.

12. GENERAL

12.1 Force Majeure. Except with respect to Licensee's obligation to make timely payments, neither party will be responsible for any delay or failure in performance to the extent that such delay or failure is caused by fires, strikes, embargoes, explosion, earthquakes, floods, wars, labor disputes, terrorism, government requirements, civil or military authorities, acts of God or by the public enemy, inability to secure raw materials or transportation facilities, acts or omissions of carriers or suppliers, or other causes beyond its reasonable control.

12.2 Severability. If any provision of this Agreement is declared or found to be illegal, unenforceable, or void, then each provision not so affected will remain in full force and effect.

12.3 Assignment. Licensee may not assign this Agreement or any of its rights or obligations under this Agreement, by operation of law or otherwise, without the prior written consent of Cogent. Cogent may assign this Agreement and any of its rights and obligations under this Agreement. This Agreement will bind each party and its permitted successors and assigns.

12.4 Disputes. This Agreement is to be construed in accordance with and governed by the internal laws of the State of California (as permitted by Section 1646.5 of the California Civil Code or any similar successor provision) without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of California to the rights and duties of the parties. Any legal suit, action, or proceeding arising out of or relating to this Agreement will be commenced in a federal court in the

**3M**

Central District of California or in state court in the County of Los Angeles, California, and each party hereto irrevocably submits to the exclusive jurisdiction and venue of any such court in any such suit, action, or proceeding. Neither party may bring any action arising out of or relating to this Agreement more than three (3) years after the cause of action accrues.

12.5 No Waiver. No course of dealing, course of performance, or failure of either party strictly to enforce any term, right, or condition of this Agreement will be construed as a waiver of any other term, right, or condition. No waiver or breach of any provision of this Agreement will be construed to be a waiver of any subsequent breach of the same or any other provision.

12.6 Relationship of the Parties. This Agreement will not be construed as creating an agency, partnership, joint venture, or any other form of association, for tax purposes or otherwise, between the parties, and the parties will at all times be and remain independent contractors. Except as expressly agreed by the parties in writing, neither party will have any right or authority, express or implied, to assume or create any obligation of any kind, or to make any representation or warranty, on behalf of the other party or to bind the other party in any respect whatsoever.

12.7 Notices. Cogent will deliver all notices and communications concerning support and maintenance matters to the attention of Licensee's Technical Contact at the address set forth in Exhibit A. Any other notice, request, demand, or other communication required or permitted hereunder will be in writing, will reference this Agreement, and will be deemed to be properly given: (a) when delivered personally; (b) when sent by facsimile, with written confirmation of receipt by the sending facsimile machine; (c) five (5) business days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (d) two (2) business days after deposit with an express courier, with written confirmation of receipt. All notices will be sent to the address specified on the signature page of this Agreement (or to such other address as may be designated by a party by giving written notice to the other party pursuant to this Section).

12.8 Complete Agreement. This Agreement, any exhibits and schedules attached to it, and any other terms and conditions incorporated by reference herein, contain the entire understanding of the parties with respect to the subject matter hereof and, supersede any and all related prior understandings, agreements, representations, negotiations, and discussions, whether oral or written. This Agreement cannot be modified or amended except in a writing signed by both parties.

3M COGENT, INC.

Xu Chen
Authorized Signature

Xu Chen
Name (Type or Print)

Finance Manager
Title

639 North Rosemead Blvd.
Pasadena, CA 91107

Address
7/2/14
Date

SHASTA COUNTY HEALTH AND HUMAN SERVICES AGENCY

Maxine Wayda
Authorized Signature

Maxine Wayda, LCSW
Name (Type or Print)

Branch Director, HHSA Children's Services
Title

P.O. Box 496005
Redding, CA 96049-6005

Address
7/1/14
Date



APPROVED AS TO FORM:

Rubin E. Cruse, Jr.

County Counsel

6/25/14 Debra K. Barriger
Debra K. Barriger
Senior Deputy County Counsel

RISK MANAGEMENT APPROVAL:

Jonathan Hill
Jonathan Hill

Risk Management Analyst III

INFORMATION TECHNOLOGY REVIEW & APPROVAL:

Tom Schreiber 6-30-2014
Tom Schreiber, Chief Information Officer



EXHIBIT A
LICENSEE'S TECHNICAL CONTACTS

Licensee's Technical Contact(s):

Staff Services Analyst II Help Desk
HHSA Children's Services
1313 Yuba Street
Redding, CA 96001
(530) 245-6383



EXHIBIT B

TECHNICAL SUPPORT CONTACT INFORMATION

1-866-500-AFIS (or 1-866-500-2347)



EXHIBIT C
SUPPORT FEES

Item Description	Total
Annual LS Maintenance – CS500e Livescan Booking Portable Station (Orig Inv 30356) Maintenance Period: 7/1/2014-6/30/2015	\$555
Annual LS Maintenance – CS500e Livescan Booking Portable Station (Orig Inv 30356) Maintenance Period: 7/1/2015-6/30/2016	\$555
Annual LS Maintenance – CS500e Livescan Booking Portable Station (Orig Inv 30356) Maintenance Period: 7/1/2016-6/30/2017	\$555

REPORT TO SHASTA COUNTY BOARD OF SUPERVISORS

BOARD MEETING DATE: September 10, 2019
CATEGORY: Consent - General Government-6.

SUBJECT:

Fiscal Year 2019/20 Property Tax Rates

DEPARTMENT: Auditor-Controller

Supervisory District No. :

DEPARTMENT CONTACT: BRIAN MUIR AUDITOR-CONTROLLER (530) 225-5541

STAFF REPORT APPROVED BY: BRIAN MUIR AUDITOR-CONTROLLER (530) 225-5541

Vote Required?	General Fund Impact?
Simple Majority Vote	General Fund Impact

RECOMMENDATION

Adopt a resolution which approves the Fiscal Year 2019-20 Countywide Tax Rate, Unitary Debt Service Rate, and the tax rates for bond sinking funds, voter-approved debt, and tax overrides.

SUMMARY

Tax rates are computed by the Auditor-Controller’s Office in order to raise sufficient funds to cover current required payments on voter approved obligations. When calculating the rates for each bond, loan, voter approved debt, or tax override rate, the annual required funding is first reduced by all anticipated revenue sources such as unitary debt service, interest earned, and cash balance on hand. The remaining amount needed to satisfy each bond payment, loan payment, voter approved debt payment, or tax override rate is then divided by the assessed valuation within the respective District to arrive at a rate. This rate is then applied to the secured tax bill for the assessments within each District. The rate associated with the Red Bluff Union High School District is pending approval with the Tehama County Board.

DISCUSSION

The approval of these tax rates is necessary in order to satisfy voter-approved liabilities in the form of bond sinking funds, debt service, or tax override obligations. Also, the approval of the Countywide Tax Rate provides funding for the continued operation of the County and all other agencies, which are entitled to current tax receipts. Annual approval of these rates by the Board of Supervisors is required pursuant to Government Code Section 29100.

ALTERNATIVES

Government Code Section 29100, requires each county to adopt rates to be levied on the secured property tax roll that will satisfy amounts necessary to meet bond payments and debt for voter approved assessments.

OTHER AGENCY INVOLVEMENT

The Tax Collector will collect the taxes. The Auditor-Controller is the director for most of the debt service funds; however, some non-school agencies manage their own funds and are responsible for issuing the bond payments.

FINANCING

A portion of the taxes collected will be apportioned to Shasta County. The remainder is apportioned to other agencies, or is used to satisfy debt requirements.

ATTACHMENTS:

Description	Upload Date	Description
19-20 Property Tax Rates	8/30/2019	19-20 Property Tax Rates

RESOLUTION NO. 2019-

**RESOLUTION OF THE BOARD OF SUPERVISORS
OF THE COUNTY OF SHASTA
APPROVING THE FY 2019-20 TAX RATES
AS SUBMITTED BY THE COUNTY OF SHASTA AUDITOR-CONTROLLER**

WHEREAS, the Board of Supervisors is required by law to set the annual tax rates for the County of Shasta, and

WHEREAS, the Auditor-Controller has re-calculated such tax rates and submitted them to the Board of Supervisors,

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors of the County of Shasta approves the attached FY 2019/20 tax rates for the Countywide Basic Tax; Unitary Debt Service; School District Bond Sinking Funds; Special District Voter-Approved Debt and Tax Overrides.

DULY PASSED AND ADOPTED this 10th day of September 2019, by the Board of Supervisors of the County of Shasta by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSE:

LEONARD MOTY, CHAIRMAN
Board of Supervisors
County of Shasta
State of California

ATTEST:

LAWRENCE G. LEES
Clerk of the Board of Supervisors

By: _____
Deputy

TAX RATES	RATE PER \$100K
FISCAL YEAR 2019-2020	OF MARKET
BASIC COUNTYWIDE TAX RATE	VALUE
Basic Tax – Countywide	1.000000
UNITARY DEBT SERVICE	
Net Unitary Debt Service Rate	0.329300
SCHOOL DISTRICTS BOND SINKING FUNDS	
Elementary School District (ESD) General Obligation Bonds:	
Black Butte ESD, Election 2016 - Series A & B	0.024000
Cascade ESD, Election 2008 - Series A & B, 16 Refunding	0.005800
Cascade ESD, Election 2016 Series A & B	0.022100
Columbia ESD, Election 1995 - 03 & 08 Refunding	0.000100
Columbia ESD, Election 2014 - Series A & B	0.021400
Cottonwood ESD, Election 2003 - Series A	0.020500
Enterprise ESD, Election 1990 - 10 & 12 Refunding	0.000100
Enterprise ESD, Election 2008 - Series A, B, & C, 16 Refunding	0.026300
Enterprise ESD, Election 2018 - Series A	0.021800
Grant ESD, Election 2004 - 14 Refunding	0.012400
Happy Valley ESD, Election 2008 - Series A	0.039500
Happy Valley ESD, Election 2014 - Series A	0.021800
Junction ESD, Election 2016 – Series A & B	0.012300
Pacheco ESD, Election 2008 - Series A & B, 17 Refunding	0.020600
Redding ESD, Election 1991 - 08 & 11 Refunding	0.011500
Redding ESD, Election 2018 – Series A	0.022400
Unified School District (USD) General Obligation Bonds:	
Fall River Joint USD, Election 2004 - 15 Refunding	0.023300
Gateway USD Election 2002 - Series A & B, 11 & 14 Refunding	0.032600
Gateway USD Election 2008 - Series 09, 13, & 17 Refunding, Series 17	0.023700
High School District (HSD) General Obligation Bonds:	
Anderson Union HSD, Election 2012 - Series A, B & C	0.019100
Shasta Union HSD, Election 2001 - Series 02 & 03, 11 Refunding	0.011700
Shasta Union HSD, Election 2016 - Series 17 & 18	0.011200
Red Bluff Union HSD, Election 2016 - Series 17	0.031300
Community College General Obligation Bonds:	
Shasta-Tehama-Trinity Joint Comm College, Election 2002 - 11 & 14 Ref	0.003700
Shasta-Tehama-Trinity Joint Comm College, Election 2016 - Series A	0.020000
SPECIAL DISTRICT VOTER APPROVED DEBT & TAX OVERRIDE	
Bella Vista Water District	0.370000
City of Shasta Lake (originally Shasta Dam Area PUD)	0.000100
Cottonwood Fire Protection District	0.018300
Mayers Memorial Hospital District	0.010900

REPORT TO SHASTA COUNTY BOARD OF SUPERVISORS

BOARD MEETING DATE: September 10, 2019

CATEGORY: Consent - General Government-7.

SUBJECT:

Draft Minutes

DEPARTMENT: Clerk of the Board

Supervisory District No. :

DEPARTMENT CONTACT: John Sitka, Deputy Clerk of the Board, (530) 225-5550

STAFF REPORT APPROVED BY: Mary Williams, Chief Deputy Clerk of the Board

Vote Required?	General Fund Impact?
Simple Majority Vote	No General Fund Impact

RECOMMENDATION

Approve the minutes of the meetings held on August 13, 2019, and August 20, 2019, as submitted.

SUMMARY

N/A

DISCUSSION

N/A

ALTERNATIVES

N/A

OTHER AGENCY INVOLVEMENT

N/A

FINANCING

There is no General Fund impact associated with this action.

ATTACHMENTS:

Description

Draft Minutes 8-13-19

Upload Date

9/6/2019

Description

Draft Minutes 8-13-19

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August 13, 2019

SHASTA COUNTY BOARD OF SUPERVISORS

Tuesday, August 13, 2019

REGULAR MEETING

9:00 a.m.: Chairman Moty called the Regular Session of the Board of Supervisors to order on the above date with the following present:

District No. 1 - Supervisor Chimenti
District No. 2 - Supervisor Moty
District No. 3 - Supervisor Rickert
District No. 4 - Supervisor Morgan
District No. 5 - Supervisor Baugh

County Executive Officer - Larry Lees
County Counsel - Rubin E. Cruse, Jr.
Chief Deputy Clerk of the Board - Mary Williams
Administrative Board Clerk - Kristin Gulling-Smith
Administrative Board Clerk - John Sitka

INVOCATION

Invocation was given by Pastor Phil Harper, Community of Christ Church.

PLEDGE OF ALLEGIANCE

Pledge of Allegiance to the Flag was led by Supervisor Rickert.

REGULAR CALENDAR

BOARD MATTERS

AUGUST 2019 EMPLOYEE OF THE MONTH
HEALTH AND HUMAN SERVICES AGENCY

August 13, 2019

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EMPLOYMENT SERVICES INSTRUCTOR III LYNNE WILSON
RESOLUTION NO. 2019-070

At the recommendation of Health and Human Services Agency, Regional Services Branch Director Melissa Janulewicz, and by motion made, seconded (Baugh/Rickert), and unanimously carried, the Board of Supervisors adopted Resolution No. 2019-070 which recognizes Shasta County Health and Human Services Agency Employment Services Instructor Lynne Wilson as Shasta County's Employee of the Month for August 2019.

(See Resolution Book No. 63)

PRESENTATION: ANNUAL UPDATE ON PARTNERSHIP HEALTHPLAN OF CA.

Partnership HealthPlan of California (PHC) Northern Executive Director Wendi West and Behavioral Health Administrator Margaret Kisliuk provided an annual update on PHC activities.

Ms. West described an array of services offered by PHC, explaining that PHC is responsible for healthcare of approximately 500,000 individuals. Ms. West added that one in three people residing in Shasta County utilize PHC services.

Ms. West described PHC's efforts to draw new providers to the northern California area, estimating that PHC accounts for about 600 jobs locally. She explained PHC's involvement in partnership with the County for the Shasta County's Homeless Management Information System (HMIS). Ms. West also explained PHC's focal points for the next year.

In response to questions from Supervisor Baugh, Ms. West elaborated on the National Committee for Quality Assurance (NCQA) and their role in accreditations.

In response to questions from Supervisor Morgan, Ms. West described PHC's two locations in Redding, with one located on Airpark Drive and the second on Avtech Parkway.

Ms. Kisliuk applauded the leadership of Shasta County and stated that many of PHC's successes have involved County staff.

Ms. Kisliuk described the criteria for members to receive services from the Drug Medi-Cal program. She explained that residents from many rural surrounding counties may be sent to Shasta County for specific services, including outpatient and recovery services.

Ms. Kisliuk stated that, in 2018, 10.5% of PHC members received substance abuse treatment services. Ms. Kisliuk described common challenges faced by community members which demonstrate the need for behavioral health services.

Ms. Kisliuk described the next steps for County participation in PHC's services.

In response to questions from Supervisor Rickert, Ms. Kisliuk confirmed that PHC's network includes other local service providers such as the Empire Recovery Center.

In response to questions from Supervisor Baugh, Ms. Kisliuk explained the use of realignment funds for the services described. County Executive Officer (CEO) Larry Lees stated that it is expected that savings will occur, allowing for the provision of additional services.

In response to questions from Supervisor Chimenti, Ms. Kisliuk described that PHC's goal is to coordinate with County departments to provide services to an individual leaving incarceration.

In response to questions from Supervisor Rickert, Ms. Kisliuk explained that residential care is one of the purposes for the development of a network with other providers.

PRESENTATION: ADDICTION'S IMPACT ON SHASTA COUNTY

Dr. Greg Greenberg gave a presentation regarding addiction and its impact on Shasta County. Dr. Greenberg provided an overview of the effects of drug usage and described some of the causes of substance use disorder, including genetic disposition, prescription practices, and Adverse Childhood Experiences.

Dr. Greenberg stated that Shasta County is doing better than other many other counties in terms of substance use treatment services. He also explained the effectiveness of Medication-Assisted Treatment (MAT) and the necessity for it in the jail.

In response to questions from Supervisor Morgan, Dr. Greenberg explained that someone suffering from addiction will likely struggle with it for their entire life. He described efforts that can assist someone in getting back to a normal, functional life.

Monique Welin described her experiences with addiction and thanked Dr. Greenberg for his contributions to the discussion.

PUBLIC COMMENT PERIOD - OPEN TIME

Beth Messick described natural disasters that have occurred in eastern Shasta County and requested that the Board consider a moratorium on wind turbine projects in that area.

Nolda Short stated that Shasta County had received a Certificate of Achievement for Excellence in Financial Reporting and introduced the Auditor's Financial Reporting team.

William Gilbert described issues with Shasta County staff.

August 13, 2019

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Edmond Baier discussed the environmental impact reports for wind turbine projects in eastern Shasta County.

Maggie Osa requested that the Board adopt a moratorium on wind turbine projects in eastern Shasta County.

Mary Nash described a small animal swap meet in Shasta County that has been shut down by the Sheriff's Office. She requested that the Board adopt an ordinance to permit these sales.

Donna Gordon explained that many people attend the small animal swap meet to obtain information about raising farm animals.

Richard Gordon, Mary LaFerriere, Norene Chaver, and Donna Stricklin were also present to request adoption of an ordinance permitting sale of small animals.

The Board directed CEO Lees to work with the Sheriff's Office to look into small animal sales in Shasta County.

Charlie Platino discussed issues with wind turbines in Shasta County.

Janet Chapman described challenges Carr Fire victims are experiencing with rebuilding.

Monique Welin discussed mental health issues.

Dolores Lucero discussed corruption of government officials.

CONSENT CALENDAR

By motion made, seconded (Morgan/Rickert), and unanimously carried, the Board of Supervisors took the following actions, which were listed on the Consent Calendar:

Approved the Capital Facilities Improvement Plan for Fiscal Year 2019-20. (Administrative Office)

Approved and authorized the Chairman to sign the County claims list in the amount of \$112.41 as submitted. (Auditor-Controller)

Approved the minutes of the meeting held on July 23, 2019, as submitted. (Clerk of the Board)

Appointed Robert Shaw to the Alternate position on the Assessment Appeals Board for the remainder of an unexpired term ending September 7, 2020. (Clerk of the Board)

Adopted Salary Resolution No. 1565, effective August 18, 2019, which amends the Shasta County Position Allocation List to delete 1.0 Full-Time Equivalent (FTE) Sheriff's Program Manager and add 1.0 FTE Agency Staff Services Analyst I/II in the Sheriff budget. (Support Services-Personnel)

(See Salary Resolution Book)

Adopted Salary Resolution No. 1566, effective August 18, 2019, which amends the Shasta County Position Allocation List to remove the sunset date of September 30, 2019 from 1.0 Full-Time Equivalent Community Education Specialist I/II in the Public Health budget. (Support Services-Personnel)

(See Salary Resolution Book)

Approved and authorized the Health and Human Services Agency Director (Director), or any Branch Director or Deputy Branch Director designated by the Director, to: Sign or electronically sign: an evergreen Q-global online Subscription and License Agreement with NCS Pearson, Inc. (Pearson) with no maximum compensation to provide online testing, scoring, and reporting services; the online Pearson Terms of Use; (c) the online Order Forms in a total amount not to exceed \$100,000; and the online Q-global Business Associate Agreement with Pearson; and authorize select staff, as Qualified Users, to electronically sign the online User account creation Terms and Conditions (T&Cs) and other related online T&Cs, as long as they are not substantially or functionally different from the T&Cs currently approved by County Counsel, and other online documents required to access and complete each online account. (Health and Human Services Agency-Adult Services)

Approved and authorized the Chairman to sign a retroactive renewal agreement with the County of Butte in an approximate amount of \$15,000 to provide acute psychiatric inpatient care for the period July 1, 2019 through June 30, 2020. (Health and Human Services Agency-Adult Services)

Approved and authorized the Chairman to sign a retroactive amendment, effective July 1, 2019, to the agreement with Northern Valley Catholic Social Service, Inc., to provide youth specialty mental health services which increases maximum compensation by \$200,402 for a total of \$2,369,598 to provide services to additional clients, and retains the period July 1, 2018, through June 30, 2020. (Health and Human Services Agency-Children's Services)

Approved and authorized the: Chairman to sign a retroactive renewal evergreen agreement with the California Department of Health Care Services for no compensation for Medi-Cal Targeted Case Management Provider Participation Agreement (PPA #: 45-19EVRGRN) effective July 1, 2019 until terminated by either party, which replaces the Medi-Cal Targeted Case Management Provider Participation Agreement (PPA #: 45-17EVRGRN); and Health and Human Services Agency (HHSA) Director or any HHSA Branch Director designated by the HHSA Director to sign amendments and other documents, including retroactive, that do not result in a substantial or functional change to the original intent of the agreements and otherwise comply with

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Administrative Policy 6-101, *Shasta County Contracts Manual*. (Health and Human Services Agency-Business and Support Services)

Approved and authorized the Chairman to sign a retroactive amendment, effective October 11, 2018, to the agreement with Kanhaiya, LLC dba Holiday Inn (Holiday Inn) to provide subsidized employment of CalWORKs clients which provides a valid agreement signature on behalf of Holiday Inn, and retains the maximum compensation amount of \$50,000 and the term October 11, 2018 through August 31, 2019. (Health and Human Services Agency-Regional Services)

Took the following actions: Repealed Resolution No. 2019-054; and adopted Resolution No. 2019-071 which: approves and authorizes the Director of Housing and Community Action Programs (Director) to sign and submit an amended application to the California Department of Housing and Community Development in an amount not to exceed \$1,000,000 for California Emergency Solutions and Housing Program (Program) funding for the period April 1, 2020 through April 1, 2024; approves and authorizes the Director to sign the Standard Agreement and subsequent amendments, as well as other documents related to the Program; and certifies the County will use all funds for eligible activities and in a manner consistent and in compliance with all applicable state and federal statutes, rules, regulations, laws, and Program rules. (Housing and Community Action Programs)

(See Resolution Book No. 63)

Approved and authorized the Chairman to sign a retroactive agreement for Homeless Emergency Aid Program (HEAP) funding with Faithworks Community Coalition Inc. in an amount not to exceed \$985,155.69 to provide Capital Improvements for the period July 1, 2019 through June 30, 2021. (Housing and Community Action Programs)

Adopted Resolution No. 2019-072 which authorizes the Chief Probation Officer to: Sign and submit the Proposition 47 Grant Agreement with the Board of State and Community Corrections (BSCC) in an amount not to exceed \$1,000,000, for a misdemeanor community engagement program, for the period August 15, 2019 through May 15, 2023, including any amendments thereof (including retroactive); sign and process other documents (including retroactive) for the purpose of this grant from Fiscal Year (FY) 2019-20 until the Proposition 47 Grant Agreement expires; and accept funds for the purpose of this grant from FY 2019-20 until the Proposition 47 Grant Agreement expires. (Probation)

(See Resolution Book No. 63)

Adopted Resolution No. 2019-073 which recognizes that the circumstances and factors that led to the July 30, 2018 ratification of a local emergency proclamation due to the wildland fire identified as the "Carr Fire" have not been resolved and that there is a need for continuation of the local emergency proclamation. (Sheriff)

(See Resolution Book No. 63)

Approved and authorized the Chairman to sign an amendment, effective date of signing, to the agreement with American Chiller Service, Inc. for the service, maintenance and repair of heating, ventilation and air conditioning (HVAC), to increase compensation by \$60,000 for a new total not to exceed \$105,000, and retain the term July 25, 2017 through July 24, 2018, with two automatic one-year renewals. (Public Works)

Approved and authorized the Chairman to sign a deed restriction for Balls Ferry Park, Assessor Parcel Number 057-520-015-000 (Anderson area). (Public Works)

Approved and authorized the Chairman to sign an amendment, effective date of signing, to the agreement with Enterprise Heating & Air Conditioning, Inc. for cleaning and repairs of heating, ventilation, and air conditioning system ductwork, chillers and boilers to increase compensation by \$100,000 for a new total not to exceed \$150,000, and retain the term May 22, 2019 through May 21, 2020, with one automatic one-year renewal. (Public Works)

Approved and authorized the Chairman to sign an agreement with Pacific Gas and Electric (PG&E) in an advance payment amount of \$3,383.60 to provide new electric service for the Intersection of Park Drive and Gas Point Road Project. (Public Works)

Took the following actions regarding the Northern Sacramento Valley Integrated Regional Water Management (NSVIRWM) Board: Approved and authorized the Chairman to sign a letter to the NSVIRWM Board to reduce the number of NSVIRWM Board representatives from three to two and retain the alternate; and designated Supervisor Leonard Moty and City of Shasta Lake Council Member Larry Farr as NSVIRWM Board representatives and Centerville Community Services District General Manager Chris Muehlbacher as alternate representative. (Public Works)

Approved and authorized the Chairman to sign an amendment, effective date of signing, to the agreement with Peterson Power Systems, Inc. for the maintenance, repair and short term rental of equipment, to increase compensation by \$45,000 for a new total not to exceed \$95,000, and retain the term October 26, 2018 through October 25, 2019, with one automatic one-year renewal. (Public Works)

Took the following actions regarding road maintenance equipment: Awarded the purchase of: one compact track loader and attachments to Bobcat of Redding, Redding, CA for a total price of \$90,335.04 (including tax and delivery); one trailer to Central California Truck and Trailer, West Sacramento, CA for a total price of \$80,112.43 (including tax and delivery); a pickup truck from Crown Motors, Redding, CA for a total price of \$65,961.04 (including tax and delivery); and a self-propelled broom from Papé Machinery, Redding, CA for a total price of \$70,987.87 (including tax and delivery); approved and authorized the purchase of the compact track loader, trailer, pickup truck and self-propelled broom; and waived the requirement for competitive procurement for the purchase of the trailer, pickup truck, and self-propelled broom. (Public Works)

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Approved a budget amendment increasing appropriations in the amount of \$1,079,000 offset by fund balance in the Roads budget for the purchase of capital assets. (Public Works)

Approved and authorized the Chairman to sign an amendment, effective date of signing, to the agreement with Shasta Control Company, Inc. for the repair, installation, programming and technical support of the Facilities Automated Control System, to increase compensation by \$105,000 for a new total not to exceed \$150,000, and retain the term October 9, 2017 through October 8, 2018, with two automatic one-year renewals. (Public Works)

Approved and authorized the Chairman to sign a retroactive agreement with SHN Consulting Engineers and Geologists, Inc. for a fixed fee of \$65,000 to provide planning support services during the development and preparation of the Fountain Wind Project (Project) Environmental Impact Report for the period July 1, 2018 through the certification of the Project or May 31, 2021, whichever is earlier. (Resource Management)

Approved a budget amendment increasing appropriations in the amount of \$34,376 offset by fund balance in the County Fire budget for the purchase of a utility pickup truck in the County Fire budget. (County Service Area No. 1-County Fire)

Awarded and authorized the purchase of new Self Contained Breathing Apparatus equipment to All Star Fire Equipment, Inc., under the California Department of General Services contract in the amount of \$84,612. (County Service Area No. 1-County Fire)

REGULAR CALENDAR, CONTINUED

GENERAL GOVERNMENT

ADMINISTRATIVE OFFICE/BOARD OF SUPERVISORS

LEGISLATIVE UPDATE/SUPERVISORS' REPORTS

By motion made, seconded (Rickert/Morgan), and unanimously carried, the Board of Supervisors approved and authorized the Chairman to sign a letter regarding Carr Fire cleanup.

County Executive Officer (CEO) Larry Lees had no legislative update.

Supervisor Baugh recently attended a meeting of the Local Agency Formation Commission.

Supervisor Morgan recently attended a meeting of the Sacramento Valley Basin Air Pollution Control Council.

Supervisor Rickert requested that staff bring a report to a future meeting regarding zoning in the area of the Fountain Wind turbine project.

Supervisors reported on issues of countywide interest.

Amber Bush spoke regarding issues she experienced during California Office of Emergency Services' cleanup of her property after the Carr Fire.

COUNTY SERVICE AREA NO.1-COUNTY FIRE

DEFENSIBLE SPACE FOR FIRE PROTECTION **INTRODUCTION OF ORDINANCE**

Shasta County Fire Chief Bret Gouvea presented the staff report and requested approval. He described the need for increased compliance to eliminate fire hazards in the County.

In response to questions from Supervisor Moty, Chief Gouvea confirmed that the introduced ordinance would apply to vacant parcels as well as parcels containing a residence.

Mr. Gouvea described defensible space reviews of homes that were in areas affected by the Carr Fire. He also stated 100% of homes that failed their defensible space review were lost.

Jeffrey Oldson presented concerns with the proposed ordinance and requested that the Fire Protection Districts in Shasta County be permitted to review and comment on the content of the proposed ordinance prior to a vote.

Paul J. Bertagna voiced opposition to the proposed ordinance and expressed concerns regarding overstepping the rights of private property owners.

Pam Severtson stated that Chief Gouvea had resolved her questions.

Sandra Winters and Mari Smith described fire hazards existing on their neighbors' properties and asked the Board to approve the proposed ordinance.

Ed Edwards opposed placing responsibility on adjacent land owners.

Cathy Joplin expressed support of the proposed ordinance.

Jan Lopez, Lennart Lindstrand, Jr., and Bob Rynearson requested that affected agencies and the public be provided the opportunity to review and comment on the ordinance.

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County Counsel Rubin E. Cruse, Jr. explained that County Code can apply to Fire Protection Districts, unless a Fire Protection District adopts regulations which would supersede the County's.

In response to questions from Supervisor Rickert, Chief Gouvea stated that enforcement efforts would fall within the staff's regular workload.

In response to questions from Supervisor Baugh, Mr. Cruse explained that the State may sometimes permit a Fire Protection District to adopt its own regulations. Mr. Cruse stated that Resource Management Director Paul Hellman reviewed the California Environmental Quality Act (CEQA) determination for the proposed ordinance.

Mr. Hellman explained that the proposed ordinance applies to properties zoned as Rural Residential. He stated that, due to this limited application, he did not find the proposed ordinance to be subject to CEQA.

In response to questions from Supervisor Baugh, Mr. Cruse explained that his office has been moving aggressively to abate nuisances.

In response to questions from Supervisor Moty, Public Works Director Pat Minturn explained the County's responsibility in terms of public easements.

In response to questions from Supervisor Moty, Chief Gouvea confirmed that a local Fire Chief's organization has been discussing the proposed ordinance at their monthly meetings.

By motion made, seconded (Baugh/Rickert), and unanimously carried, the Board of Supervisors directed staff to provide opportunity for additional comments and to bring the proposed ordinance back for consideration on September 10, 2019.

ADMINISTRATIVE OFFICE

JAIL OPERATIONS REVIEW **CGL COMPANIES, LLC**

CGL Companies, LLC representatives Karl Becker and Brad Sassatelli presented key findings on the Shasta County Jail Operations Review report.

Mr. Sassatelli described the lack of capacity at the jail and discussed the negative impacts associated with this issue. He presented the report's recommendation to implement an evidence-based assessment tool to reliably predict the level of risk associated with a given offender.

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Mr. Sassatelli discussed issues with staffing levels and recommended the addition of 15 staff members.

In response to questions from Supervisor Baugh, Mr. Becker explained that CGL's study did take previous jail studies into consideration but each study of the jail operations were taken at a single point in time.

In response to questions from Supervisor Baugh, Mr. Becker stated that Shasta County's amount of vacant jail staff positions are within a normal range.

In response to questions from Supervisor Rickert, Mr. Becker explained that it is challenging to train County inmates to cook at the jail because it is difficult for them to obtain the necessary food preparation certifications when there is such high turnover.

In response to questions from Supervisor Moty, Mr. Becker confirmed that the use of pre-booking assessments is gaining popularity across the country.

Sheriff Tom Bosenko discussed the findings of the report. In response to a previous question from Supervisor Rickert, Sheriff Bosenko explained that inmates are used to assist in the jail kitchen.

In response to questions from Supervisor Rickert, Sheriff Bosenko agreed to look into the key findings with his staff and bring a report back to a future meeting to discuss implementation.

By consensus, the Board directed staff to bring back a future agenda item in September 2019 regarding potential implementation of findings in the Jail Operations Review report.

COUNTY COUNSEL

SPECIAL TAX FOR PUBLIC SAFETY REVIEW OF PROPOSED ORDINANCE

County Counsel Rubin E. Cruse, Jr. presented an update regarding a special tax to support public safety purposes. He described elements of a special tax that would be within the Board's discretion.

Mr. Cruse outlined the expenditure plan, which is broken down into the following four programs: Correctional, Public Safety, Criminal Justice, and Audit. Each program is subsequently broken down into specific categories and subcategories.

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Mr. Cruse explained that, by resolution and unanimous vote, the Board could modify percentage allocation among the programs and program categories. Additionally, by resolution and majority vote, the Board could modify percentage allocations among program subcategories.

Mr. Cruse described the proposed Oversight Committee, which would review the annual audit. This committee would be appointed by the Board of Supervisors with recommendations from City Councils and other non-government organizations identified by the Board.

In response to questions from Supervisor Rickert, Mr. Cruse stated that the program category Health Care could include elements such as medication assistance, health care, or other related programs.

In response to questions from Supervisor Rickert, Mr. Cruse explained that the current draft of the proposed ordinance designates funds for fire protection provided by the County of Shasta.

In response to questions from Supervisor Rickert, Supervisor Chimenti explained that he spoke with applicable department heads to identify reasonable percentages for allocation of funds.

In response to questions from Supervisor Moty, Public Safety department heads addressed the Board as follows:

District Attorney Stephanie Bridgett stated that she would plan to use funds for the following: an additional attorney in the Serious Offender unit, an additional attorney in the Family Violence unit, one to two additional attorneys in the General Felonies unit, and a supervising district attorney.

Public Defender William Bateman stated that he would plan to use funds for the following positions to meet the demands of the tax initiative: six lawyers, two social workers, and one secretary.

Chief Probation Officer Tracie Neal stated that she would plan to use funds for four additional deputy probation officers.

Sheriff Tom Bosenko stated that he would plan to use funds for additional equipment and patrol officers in the intermountain area of the County.

In response to questions from Supervisor Rickert, Sheriff Bosenko clarified that the goal would be to fully support 24-hour deputy availability to all areas of the County.

By motion made, seconded (Chimenti, Morgan), and unanimously carried, the Board of Supervisors directed staff to move forward with the proposed ordinance with the following amendments: (1) Move the audit to up-front costs to match the other categories; (2) move the .6% initially proposed for an audit to be allocated to Probation; and (3) receive reports from other agencies receiving allocated funds.

ADMINISTRATIVE OFFICE

GRAND JURY REPORT RESPONSE
“911 WHAT’S YOUR EMERGENCY”

CEO Larry Lees explained that the Grand Jury Report “911 What’s Your Emergency” addressed an area over which Shasta County does not have jurisdiction, stating that SHASCOM would be looking into the matters and issuing a thorough response.

By motion made, seconded (Baugh/Rickert), and unanimously carried, the Board of Supervisors approved and authorized the Chairman to sign the Fiscal Year 2018-19 Shasta County Grand Jury Report "911 What's Your Emergency."

HEALTH AND HUMAN SERVICES

WOODLANDS II HOUSING PROJECT
MENTAL HEALTH SERVICES ACT FUNDS

Health and Human Services Agency Director Donnell Ewert described the Woodlands II housing project, which would provide additional beds for County residents with severe mental illness. He explained that there is already a percentage of money in the project and the proposed project will be located north of the current Woodlands project.

By motion made, seconded (Rickert/Morgan), and unanimously carried, the Board of Supervisors approved and authorized the Chairman to sign agreements with PC Redding Apartments II Limited Partnership (PCRAII) and adopted Resolution No. 2019-075, pursuant to Government Code Section 27281, which accepts the Deed of Trust with Assignment of Rents, Security Agreement and Fixture Filing in the amount of \$1,000,000 from PCRAII.

(See Resolution Book No. 63)

SCHEDULED HEARINGS

PUBLIC WORKS

ISSUANCE OF TAX-EXEMPT REVENUE BONDS
WASTE MANAGEMENT, INC.

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This was the time set to conduct a public hearing to consider approving the issuance of the California Municipal Finance Authority Solid Waste Disposal Revenue Bonds. The Notice of Public Hearing and the Notice of Publication are on file with the Clerk of the Board.

Deputy Director of Public Works Alfred Cathey explained that the Waste Management corporation wished to sell tax-free bonds to finance construction of their landfill in Anderson. Cathey further explained that it was a requirement of the Tax Equity and Fiscal Responsibility Act that the local jurisdiction consent to the sale of the bonds.

The public hearing was opened; no one else spoke for or against the matter, and the public hearing was closed.

By motion made, seconded (Baugh/Morgan), and unanimously carried, the Board of Supervisors took the following actions regarding the issuance of tax-exempt revenue bonds by Waste Management, Inc.: Conducted a public hearing; closed the public hearing; and adopted Resolution No. 2019-076 which approves the issuance of the California Municipal Finance Authority Solid Waste Disposal Revenue Bonds (Waste Management, Inc. Project).

(See Resolution Book No. 63)

2:01 p.m.: The Board of Supervisors adjourned.

Chairman

ATTEST:

LAWRENCE G. LEES
Clerk of the Board of Supervisors

By _____
Deputy

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SHASTA COUNTY BOARD OF SUPERVISORS

Tuesday, August 20, 2019

REGULAR MEETING

9:00 a.m.: Chairman Moty called the Regular Session of the Board of Supervisors to order on the above date with the following present:

District No. 1 - Supervisor Chimenti
District No. 2 - Supervisor Moty
District No. 3 - Supervisor Rickert
District No. 4 - Supervisor Morgan
District No. 5 - Supervisor Baugh

County Executive Officer - Larry Lees
County Counsel - Rubin E. Cruse, Jr.
Administrative Board Clerk - John Sitka
Administrative Board Clerk - Kristin Gulling-Smith

INVOCATION

Invocation was given by Deacon Mike Mangas, St. Joseph Church.

PLEDGE OF ALLEGIANCE

Pledge of Allegiance to the Flag was led by Supervisor Morgan.

REGULAR CALENDAR

BOARD MATTERS

PRESENTATION: INSURANCE IN HIGH FIRE HAZARD AREAS

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Kari Haley-Hathaway, owner of Haley Insurance Marketing, Inc., gave a presentation regarding insurance in high fire hazard areas. Ms. Haley-Hathaway pointed out a rise in insurance premiums and discussed an escalation in non-renewal policies by insurance carriers due to wildfire threats across the state of California.

Ms. Haley-Hathaway explained the risk factors that insurance companies use to decide insurance premiums, speaking on the difference between Wildfire Scoring and ISO Protection Class Ratings as they are applied to risk assessment. She also stated that non-renewed policies are at an all-time high in California, which is causing independent insurance agents increased difficulty in identifying fire protection policies for homeowners.

In response to questions from Supervisor Rickert, Ms. Haley-Hathaway stated that local realtors are experiencing greater challenges when attempting to sell properties due to current insurance rates associated with high fire risk areas. She also stated that she read the governor was working on addressing the issue, but the Commissioner for the California Department of Insurance did not feel the state was in dire straits yet.

In response to questions from Supervisor Baugh, Ms. Haley-Hathaway explained that there are several areas within the City of Redding that are still considered high wildfire hazard areas several months after the Carr Fire. She also added that individual properties and neighborhoods are not taken into consideration for risk assessment, which is detrimental to homeowners who are taking action to mitigate fire hazards while living in a high fire zone.

In response to questions from Supervisor Moty, Ms. Haley-Hathaway assessed that the health of the insurance industry in California was less than satisfactory and the worst she has observed since 1992. She further stated homeowners should be concerned over the annual renewal of their insurance policies even with diligent efforts taken towards fire mitigation.

PUBLIC COMMENT PERIOD - OPEN TIME

Edmond Baier spoke on federal subsidies and concerns related to turbine projects.

Beth Messick voiced opposition to the Fountain Wind project in Shasta County.

Charlie Palatino spoke on government subsidies and environmental concerns associated with turbine projects.

In response to questions from Supervisor Baugh, Director of Resource Management Paul Hellman estimated the Fountain Wind project would not go before the Planning Commission until the middle of next year at the earliest, as the project is waiting for the completion of an Environmental Impact Report.

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Jon Ruiz spoke on staffing at the County jail and his support for a proposed tax initiative.

Monique Welin spoke in support of the public safety sales tax.

Greg Hector spoke on issues related to mental health and the Probation Department, supporting an increase in beds and medically-assisted treatment.

ITEMS PULLED FROM CONSENT CALENDAR

Chairman Moty noted that the item regarding minutes from the Board of Supervisors meeting on August 13th, 2019, was pulled and will return at a later date.

CONSENT CALENDAR

By motion made, seconded (Morgan/Rickert), and unanimously carried, the Board of Supervisors took the following actions, which were listed on the Consent Calendar:

Accepted the annual report of shortage reimbursements in the amount of \$1,080.39 for Fiscal Year 2018-19 made by the Auditor-Controller in accordance with Resolution No. 2004-56. (Auditor-Controller)

Appointed Nancy Bolen to the Shasta Children and Families Commission for the remainder of an unexpired term to expire January 2021. (Clerk of the Board)

Adopted retroactive Resolution No. 2019-076 and retroactive Salary Resolution No. 1567, effective November 11, 2018, which includes the following actions: Resolution No. 2019-076 amends the Memorandum of Understanding with the Deputy Sheriffs' Association Deputy Sheriffs, Sergeant, and District Attorney Investigator (DSA-DSS/DAI) Unit to include the provision of Supervisory Pay Differential for the Sergeant classification; and Salary Resolution No. 1567 amends the Shasta County Salary Schedule to update footnote 51 to include Sergeants for consideration of a pay class stipend if a subordinate classification is at a salary range higher than the Sergeant classification. (Support Services-Personnel)

(See Resolution Book No. 63)

(See Salary Resolution Book)

Approved and authorized the: Chairman to sign the following agreements with Qualtrics LLC (Qualtrics) for an online survey software application: (a) Qualtrics Master Service Agreement (MSA) with no compensation to administer the Qualtrics Service Order for the period of three years effective date of signing; (b) Qualtrics Business Associate Agreement (BAA) for a period of three years effective date of signing; and (c) Qualtrics Service Order agreement (Order)

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in an amount not to exceed \$79,806 to develop, maintain, and host the survey website for a period of one year effective date of signing with two automatic one-year renewals; Health and Human Services Agency (HHSA) Director, and other department heads, to authorize select staff to sign the Qualtrics online Service- Specific Terms and the online Terms of Service in order for staff to access the online survey software; approved and authorized the HHSA Director, or any HHSA Branch Director designated by the HHSA Director, to sign amendments to the Qualtrics MSA, Order, BAA, and other subsequent and related documents, including retroactive, that do not result in a functional or substantial change to the original intent of the MSA, BAA, and Order, and that otherwise comply with Administrative Policy 6-101, *Shasta County Contracts Manual*; and department heads to execute a MSA and Order for their department provided County Counsel has reviewed and approved as to form, County Information Technology and County Risk Management have approved, and maximum compensation does not exceed \$5,000 per Fiscal Year per department. (Health and Human Services Agency-Business and Support Services)

Approved and authorized the Chairman to sign an agreement with Common Cents Systems, Inc. in an amount not to exceed \$230,000 (\$72,750 to be paid in advance) to provide a Laboratory Information Management System software license and maintenance services for a period of one year from date of signing, with two automatic one-year renewals. (Health and Human Services Agency-Public Health)

Adopted Resolution No. 2019-077 which: Authorizes the Director of Housing and Community Action Agency Programs (Director) to submit and sign an application, the Standard Agreement, and any subsequent amendments, as well as any other documents required by the California Department of Housing and Community Development in an amount not to exceed \$3,600,000 for CalHome Program Disaster Assistance, Round 2 funding (Program) to provide owner-occupied rehabilitation assistance for low-income homeowners who were affected by the Carr Fire for the period 36 months from the date of the award letter; and agrees the County will use CalHome funds for eligible activities in accordance with Program regulations. (Housing and Community Action Programs)

(See Resolution Book No. 63)

Approved and authorized the Chairman to sign a fixed hangar lease agreement with Marshall Grant for Hangar No. 9 at the Fall River Mills Airport in the amount of \$250 per month for the period September 1, 2019 through March 31, 2022. (Public Works)

Approved and authorized the Chairman to sign a retroactive agreement with SHN Consulting Engineers and Geologists, Inc. in an amount not to exceed \$40,000 to provide planning support services related to completion of the Final Environmental Impact Report for the Tierra Robles Planned Development Project for the period March 19, 2019 through December 31, 2019. (Resource Management)

Approved and authorized the Chairman to sign an amendment, effective date of signing, to the agreement with Kimley-Horn and Associates, Inc., with no change in compensation to prepare environmental documents for the Tierra Robles Planned Development Project which extends the

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term of the agreement to December 31, 2019, or certification of the Final Environmental Impact Report and acceptance by County of the Final Mitigation Monitoring and Reporting Program, whichever occurs first. (Resource Management)

Approved and authorized the Chairman to sign an amendment to the agreement with Fountain Wind, LLC to consent to and allows for Fountain Wind, LLC to receive and assume all rights, duties, and obligations of the agreement between the County of Shasta and Pacific Wind, LLC effective the date the County receives a fully executed Assignment Agreement. (Resource Management)

Adopted Resolution No. 2019-078 to approve and authorize the Chairman to sign an agreement with the California Department of Forestry and Fire Protection, in an amount not to exceed \$19,755.00 including dollar for dollar County matching funds for a total of \$39,510.00 for the purchase of wildland fire and structural fire personal protective equipment for the period date of signing through June 30, 2020. (County Service Area No. 1-County Fire)

(See Resolution Book No. 63)

REGULAR CALENDAR, CONTINUED

GENERAL GOVERNMENT

CLERK OF THE BOARD/BOARD OF SUPERVISORS

LEGISLATIVE UPDATE/SUPERVISORS' REPORTS

County Executive Officer (CEO) Larry Lees had no legislative update.

Supervisor Chimenti commended CEO Lees for his leadership and contributions to the County. He requested to extend the hiring period for the County Executive Officer position. In response, County Counsel Rubin E. Cruse, Jr. stated that the matter had not yet been agendized, but it could be brought back up for Board discussion at a future meeting.

Supervisor Rickert recently attended a meeting of the Sierra Nevada Conservancy.

Supervisor Morgan recently attended the Shasta County Children and Families Commission (First 5 Shasta) meeting.

Supervisor Baugh recently attended the Rural County Representatives of California meeting.

Supervisor Moty recently attended the Enterprise-Anderson Groundwater Sustainability Agency meeting and offered to submit a letter of support for Marie Carr at a future meeting.

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Supervisors reported on issues of countywide interest.

AUDITOR-CONTROLLER

UPDATE TO ADMINISTRATIVE POLICY 2-103 **POLICY RESOLUTION NO. 2019-02**

Auditor-Controller Brian Muir proposed changes to the County's administrative policy for its budget reserves, stating that the rating agencies look favorably upon an updated policy. Mr. Muir further stated the budget reserves are currently at \$10,880,000 and the amount may be insufficient if the County faced a downturn for two to three years. The proposed change would bring the reserve amount up to 17-25% of General Fund expenditures, which was estimated to total between \$16,000,000 and \$25,000,000. The policy resolution would also provide cushioning for the County budget and help avoid layoffs during major downturns.

In response to questions from Supervisor Moty, Mr. Muir stated that it was the General Reserve that would be utilized, which is a part of the General Fund.

In response to questions from Supervisor Baugh, Mr. Muir clarified that the Contingency Reserve was separate from the General Reserve. Mr. Muir added that reserve funds cannot be assessed unless a majority of the Board declares a local emergency.

CEO Larry Lees clarified that the policy resolution would anticipate future changes in the County that include a new courthouse and low-cost bonds, and the proposed resolution would not adversely affect the Board's flexibility with reserve funds.

In response to questions from Supervisor Baugh, Mr. Lees advised against impacting current spending levels and estimated that, depending on changes within the economy, it could take up to five years to meet the desired goal of 25% for budget reserves.

In response to questions from Supervisor Rickert, Mr. Muir stated that no General Reserve funds were utilized for the Carr Fire and the proposed resolution would alleviate spending in the case of a major economic downturn.

CEO Larry Lees explained that the reserves could be used to pay for services provided to the County during an emergency period until the County receives reimbursement from the Federal and State governments. Mr. Lees also mentioned that the reserves could be utilized for recessions, lawsuits, and a variety of similar reasons.

In response to questions from Supervisor Baugh, Mr. Muir stated the Board puts money into the Capital Account for capital projects, which is unlike the General Reserve because funds

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for the Capital Account can be taken from various other funds. Mr. Muir added that the Contingency Reserve was money set aside for spending at the Board's discretion and it doesn't take a majority vote, nor a local emergency, to utilize those funds.

In response to questions from Supervisor Moty, Mr. Muir declared that the County had a budget of over \$93,000,000 allocated for the General Fund.

By motion made, seconded (Rickert/Chimenti), and unanimously carried, the Board of Supervisors adopted Policy Resolution No. 2019-02 to update Administrative Policy 2-103, *Shasta County Budgetary Reserves*.

(See Policy Resolution Book)

DISTRICT ATTORNEY

REAL ESTATE FRAUD INVESTIGATIONS UNIT **FISCAL YEAR 2018-19 REPORT**

District Attorney Stephanie Bridgett gave the Real Estate Fraud Investigations Unit (Unit) report, which included crimes such as identity theft, forgery, and rental scams.

Ms. Bridgett noted the most significant activities in the last year involved rental scams and price gouging after the Carr Fire. The Unit investigated every complaint and approached persons with rental properties listed to correct outrageous prices. Ms. Bridgett also noted several fake listings on Craigslist for rentals and stated that the Unit was proactive about getting them removed from the website.

Ms. Bridgett reported a felony conviction in the past year which included restitution in the amount of \$25,000. She added that recovering a loss is difficult and rare so the unit promotes outreach to prevent the public from becoming victims of fraud.

Supervisor Rickert lauded Ms. Bridgett and her department for their proactive approach towards fraud prevention within the community.

By motion made, seconded (Baugh/Morgan), and unanimously carried, the Board of Supervisors received a report on the Fiscal Year 2018-19 Real Estate Fraud Investigations Unit and confirmed the effectiveness of the Unit.

SCHEDULED HEARINGS

ADMINISTRATIVE OFFICE

August 20, 2019

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THE WILLIAMSON ACT TAX BENEFITS
RESOLUTION NO. 2019-079

This was the time set to conduct public hearings to consider modifying Williamson Act property tax benefits. Administrative Analyst Ayla Tucker presented the staff report and recommended approval. The Notice of Public Hearing and the Notice of Publication are on file with the Clerk of the Board.

Supervisor Rickert recused herself from the public hearing due to owning property affected by the Williamson Act.

The public hearing was opened; no one spoke for or against the matter, and the public hearing was closed.

By motion made, seconded (Baugh/Morgan), and unanimously carried, the Board of Supervisors took the following actions: Conducted a public hearing to consider implementing, pursuant to subdivision (e) of Government Code section 16142, the provisions authorized in Assembly Bill (AB) 1265 and Senate Bill (SB) 1353 and outlined in subdivision (b) of Government Code Section 51244 and Section 51244.3 (AB 1265/SB 1353 provisions), which will have the following impacts effective January 1, 2020: (a) the implementation would reduce a landowner's Williamson Act property tax benefits, which in most instances will result in an increase in property taxes to the landowner; (b) the implementation would reduce the term of a Williamson Act contract from ten years to nine years; and (c) the implementation would allow increased revenues to be transferred directly into the County's General Fund; adopted Resolution No. 2019-079 which: (a) finds that, for Fiscal Year (FY) 2018-19, the subvention payment the County received from the State of California pursuant to the Open Space Subvention Act was less than one-half of the County's actual foregone General Fund property tax revenue that resulted from Williamson Act contracts; and (b) states the Board's decision to implement Government Code Section 51244(b) and Government Code Section 51244.3 effective January 1, 2020; directed staff to notify all Williamson Act contracted landowners of the following: (a) the final decision of the Board of Supervisors after the conclusion of the August 20, 2019 public hearing on whether to implement the AB 1265/SB 1353 provisions; and (b) the landowner's right to prevent the reduction in the term of his or her contract due to the implementation of the AB 1265/SB 1353 provisions by serving notice of non-renewal as specified by Government Code Sections 51244, 51245 and Shasta County Resolution No. 2011-103; and directed the County Administrative Office, Assessor-Recorder, Auditor-Controller, Tax Collector and Director of Resource Management to take all necessary steps to implement AB 1265/SB 1353 including but not limited to recording a notice that states the affected parcel numbers and current owner's names, making the appropriate additions to all affected properties assessed values, and modifying the FY 2020-21 tax bills to reflect the assessment changes associated with the reduced tax benefit.

(See Resolution Book No. 63)

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August 20, 2019

OTHER COUNTY AGENCIES

10:21 a.m.: The Shasta County Board of Supervisors recessed and reconvened as the Shasta County Housing Authority.

10:31 a.m.: The Shasta County Housing Authority adjourned and reconvened as the Shasta County Water Agency.

10:31 a.m.: The Shasta County Water Agency adjourned and reconvened as the Shasta County Board of Supervisors.

10:32 a.m.: The Board of Supervisors adjourned.

Chairman

ATTEST:

LAWRENCE G. LEES
Clerk of the Board of Supervisors

By _____
Deputy

REPORT TO SHASTA COUNTY BOARD OF SUPERVISORS

BOARD MEETING DATE: September 10, 2019

CATEGORY: Consent - General Government-8.

SUBJECT:

Approve an agreement with DFM Associates to continue to provide Election Information Software and Support.

DEPARTMENT: County Clerk/Elections

Supervisory District No. : All

DEPARTMENT CONTACT: Cathy Darling Allen, County Clerk/Registrar of Voters (530) 225-5730

STAFF REPORT APPROVED BY: Cathy Darling Allen, County Clerk/Registrar of Voters

Vote Required?	General Fund Impact?
Simple Majority Vote	No Additional General Fund Impact

RECOMMENDATION

Approve and authorize the Chairman to sign a retroactive agreement with DFM Associates in an amount not to exceed \$6,000 per month (paid in advance) to provide election software and support services for the period July 1, 2019 through June 30, 2021, with two automatic one-year renewals.

SUMMARY

The Elections Department recommends approval of this agreement to continue to provide software and support services to maintain voter registration records, precinct boundaries and associated geographic information, data regarding elected incumbents and their various terms of office, and the databases that support conducting elections.

DISCUSSION

California currently has only two vendors that can supply this type of software and services and work in conjunction with the statewide voter registration database. The department has utilized DFM and their Election Information Management System (EIMS) software for 25 years. Due to the recent purchase of a new clerk software system in partnership with the Recorder's Office, the department is requesting to update this contract to memorialize the new relationship which includes only election software and support. The services provided via this agreement greatly supports and enhances the department's mission regarding election administration. The agreement is retroactive due to the recent Special Elections.

ALTERNATIVES

The Board could choose not to approve the recommendation, may defer consideration to a future date, or provide alternate direction to staff.

OTHER AGENCY INVOLVEMENT

County Counsel has approved the agreement as to form. The Chief Information Officer and Risk Management have approved the agreement. The Recommendation has been reviewed by the County Administrative Office.

FINANCING

The appropriations associated with this agreement were included in the department’s Fiscal Year 2019-20 Adopted Budget. There is no additional General Fund impact associated with this Recommendation.

ATTACHMENTS:

Description	Upload Date	Description
DFM Associates PEX	8/29/2019	DFM Associates PEX

DFM ASSOCIATES
MASTER AGREEMENT
SHASTA COUNTY

THIS MASTER AGREEMENT ("Agreement") is made and entered into as of _____ by and between DFM ASSOCIATES, a California corporation ("DFM"), and THE COUNTY OF SHASTA, a political subdivision of the State of California ("County").

RECITALS

A. DFM is willing to do any or all of the following at the request of the County:

- (1) To purchase and resell Computer Hardware to the County;
- (2) To lease or license DFM Software to the County;
- (3) To lease or sublicense Third Party Software to the County; and/or
- (4) To provide Consulting Services to the County.

B. The purpose of this Agreement is to generally describe the various products and services DFM is willing to provide to the County if and when the County chooses to utilize them, and to establish the basic contractual terms and conditions under which those products and/or services will be provided, subject to additional terms and provisions set forth in a separate Addendum which will specify the product or service and the particular terms and provisions applicable thereto. The separate Addendum will become a part of this Agreement, if and when it has been signed on behalf of both the County and DFM. Neither DFM nor the County is obligated to the other regarding any of the products or services generally described herein unless and until, and then only to the extent that, the specific product or service is identified on a separate Addendum attached hereto and signed on behalf of both parties.

TERMS AND CONDITIONS

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE 1. DEFINITIONS

For purposes of this Agreement, the following terms shall have the following definitions, which incorporate by reference the standard definitions of the computer industry established by trade usage or custom to the extent such standard definitions do not contradict specific definitions set forth herein:

Addendum/Addenda refers to any addendum signed by the parties hereto at any time or from time to time referring to this Agreement which specifically identifies the product or service to be provided by DFM to the County and the price, payment terms and other applicable information related thereto.

Computer Hardware refers to any computer, whether a main frame, mini-computer, personal computer or file server, and related computer peripheral equipment and accessories.

Computer Hardware Vendor refers to the corporation or other entity which manufactures or supplies the Computer Hardware.

Consulting Services refers to any or all of the services which DFM is capable of and willing to provide to the County, including consultation with the County regarding its data processing and information systems.

DFM Software refers to and includes any or all software systems developed by DFM, which DFM is willing to provide to the County.

File Maintenance refers to the ability to update a database.

Initial Installation Fee refers to the fee to be paid by the County to DFM for the initial installation of any Specified DFM Software and/or any Specified Computer Hardware.

Lease Term refers to the term of the lease between the County and DFM regarding the County's right to use any DFM Software and/or to utilize any Consulting Services. The initial Lease Term will be set forth on the Addendum and will be extended automatically pursuant to the terms of this Agreement.

Manuals refers to any documents, reports, instructions or writings, and any annotations thereto, that explain or depict, generally or in detail, any aspect of any particular DFM Software, including but not limited to, all procedures and workings thereof, and the Manuals may be on any format, including hard copy, on disk or on CD-ROM or any other media.

Monthly Fee refers to the monthly charge by DFM to the County for the right of the County to use any Specified DFM Software or to utilize any Specified Consulting Service.

Programs refers to all programs, sets of instructions and statements to be used directly or indirectly on the Computer Hardware to facilitate, directly or indirectly, the use(s), maintenance or enhancement of any particular DFM Software.

Software Enhancement refers to the addition of a new DFM Software Subsystem or the revision of any existing Subsystem for any particular DFM Software.

Software Maintenance refers to the maintenance of the Programs and the resolution of any problems with respect to any Programs concerning internal coding and operation thereof. The term Software Maintenance is meant to include those modifications, additions and revisions of any particular DFM Software mandated by new legislative enactments.

Software Release refers to the most recent revision of any particular DFM Software.

Specified Consulting Service refers to any particular Consulting Service identified on an Addendum attached hereto and signed on behalf of the County and DFM.

Specified DFM Software refers to any particular DFM Software identified on an Addendum attached hereto and signed on behalf of the County and DFM.

Specified Operating System Software refers to the operating system software provided by a third party vendor for the Computer Hardware used by the County on which the Specified DFM Software will operate.

Subsystem refers to any portion of any particular DFM Software which is related to a specific functional area within the department of the County which is using the Specified DFM Software pursuant to this Agreement.

Third Party Software refers to any software, the rights of which are owned or held by an corporation or entity other than DFM.

Third Party Software Vendor refers to any corporation or other entity which has authorized DFM as a reseller or grants DFM the right to use and/or sublicense its software or which licenses the County directly to use its software.

ARTICLE 2. COMPUTER HARDWARE

Not Used.

ARTICLE 3. RIGHT TO USE DFM SOFTWARE

All of the following provisions of this Article 3 shall apply to the lease of any Specified DFM Software by the County from DFM unless expressly modified or supplemented by the DFM Software Addendum.

3.1 DFM Software Addendum. DFM agrees to lease to the County, on a non-exclusive basis, the DFM Software identified on a DFM Software Addendum. The Specified DFM Software and all prices and payment terms with respect thereto shall be set forth on the DFM Software Addendum except to the extent any such provisions are covered by Article 3 or elsewhere in this Agreement. The County shall have no right to use any DFM Software unless and until the DFM Software Addendum has been signed on behalf of the County and DFM, and then, in such event, the County's rights are limited to the use and/or lease of the Specified DFM Software on the terms set forth herein and therein. The County's rights to use any Specified DFM Software are governed and restricted by the terms of this Agreement.

3.2 Not used.

3.3 Not used.

3.4 Monthly Fee. The initial Monthly Fee for the right to use any Specified DFM Software will be set forth on the DFM Software Addendum applicable thereto. As consideration for the non-exclusive right to use the Specified DFM Software, the County agrees to pay DFM the Monthly Fee within thirty (30) days after receipt of a correct invoice. Unless otherwise provided on the DFM Software Addendum, the Monthly Fee for the first full month of any Lease Term shall be paid at the time any Specified DFM Software has been installed. If any rental payment date falls on a day of the month other than the first day of

such month, or if any rental payment is for a period which is shorter than one month, the rental for any fractional month shall accrue on a daily basis for the period from the date such payment is due to the end of such calendar month or to the end of the Lease Term at a rate per day which is equal to one-thirtieth (1/30) of the then current Monthly Fee. DFM reserves the right to increase the Monthly Fee, by an amount not to exceed seven percent (7%) per annum, as of July 1st of each year of the Lease Term upon ninety (90) days prior written notice to the County.

3.5 Right to Use the Specified DFM Software. DFM grants to the County the nonexclusive right to lease and use the Specified DFM Software on the terms and subject to the conditions set forth in this Agreement. The County's right to use and lease any Specified DFM Software specifically excludes the right to sublicense, assign, sublease or otherwise transfer the Specified DFM Software and/or any of the County's rights hereunder or therein.

3.6 DFM Software Releases. DFM shall provide the County with all Software Releases for the Specified DFM Software within one hundred twenty (120) days after the new Software Release becomes generally available to other DFM customers. The cost of the Software Releases is included in the Monthly Fee. Installation of the DFM Software Releases will be coordinated by DFM and a designated representative of the County.

3.7 Authorized Maintenance. All Software Maintenance, Software Enhancements and Software Releases shall be provided and installed by employees or authorized agents of DFM.

3.8 Post Installation Services. DFM agrees to provide the County with post-installation services as follows:

(a) DFM agrees to provide maintenance of the Specified DFM Software to correct program errors and to use good faith reasonable efforts to correct compatibility problems among such Computer Hardware, Specified DFM Third Party Software and the Specified DFM Software, the cost of which is included in the Monthly Fee for such Specified DFM Software; and

(b) DFM agrees to provide Software Releases covering applicable legislative changes and enactment of new laws applicable to such Specified DFM Software, the cost of which is included in the Monthly Fee.

3.9 Training. DFM agrees to provide the County with the following training services with respect to any Specified DFM Software:

(a) DFM will establish, with the help of a designated representative of the County, which users will participate in training and on which subsystems.

(b) DFM will develop a training schedule with sufficient training to allow the department or agency of the County which will have primary responsibility for using the Specified DFM Software to operate it.

(c) DFM will conduct the actual training sessions, including "hands on" and formal classroom training, with the initial training to be on-site at the County's facilities.

User training costs for any Specified DFM Software are included in the Initial Installation Fee and the Monthly Fee. There are no additional costs for training. As subsystems of any Specified DFM Software are enhanced or changed to conform to new requirement, users will be provided training with respect thereto on an on-going basis. Training with respect to enhanced or changed subsystems can be on-site or regional, depending on the material and individual needs of the users.

3.10 Limitation on DFM's Obligations. Notwithstanding any other provision of this Agreement to the contrary, DFM has no duty or obligation to perform any Software Maintenance or to provide the County with any Software Enhancements or Releases, or to provide any training to the County with respect to any Specified DFM Software if the County fails or refuses to utilize the most current revision of the Specified Operating System Software required by DFM; provided, however, in any event, DFM shall give the County at least one-hundred twenty (120) days prior written notice of the need to upgrade or replace the version of the Specified Operating System Software which the County is then using, and DFM shall consult with the County's user group regarding the scheduling of such changes.

ARTICLE 4. INSURANCE COVERAGE.

- A. Without limiting DFM's duties of defense and indemnification, DFM and any subcontractor shall obtain, from an insurance carrier authorized to transact business in the State of California, and maintain continuously during the term of this agreement Commercial General Liability Insurance, including coverage for owned and non-owned automobiles, and other coverage necessary to protect County

and the public with limits of liability of not less than \$1 million per occurrence; such insurance shall be primary as to any other insurance maintained by County.

- B. DFM and any subcontractor shall obtain and maintain continuously required Workers' Compensation and Employer's Liability Insurance to cover DFM, subcontractor, DFM's partner(s), subcontractor's partner(s), DFM's employees, and subcontractor'(s') employees with an insurance carrier authorized to transact business in the State of California covering the full liability for compensation for injury to those employed by DFM or subcontractor. Each such policy shall be endorsed to state that the Workers' Compensation carrier waives its right of subrogation against *Shasta County, its elected officials, officers, employees, agents, and volunteers* which might arise in connection with this agreement. DFM hereby certifies that DFM is aware of the provisions of section 3700 of the Labor Code, which requires every employer to insure against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code, and DFM shall comply with such provisions before commencing the performance of the work or the provision of services pursuant to this agreement.
- C. Not Used.
- D. DFM shall require subcontractors to furnish satisfactory proof to County that liability and workers' compensation and other required types of insurance have been obtained and are maintained similar to that required of DFM pursuant to this agreement.
- E. With regard to all insurance coverage required by this agreement:
 - (1) Any deductible or self-insured retention exceeding \$25,000 for DFM or subcontractor shall be disclosed to and be subject to approval by the County Risk Manager prior to the effective date of this agreement.
 - (2) If any insurance coverage required hereunder is provided on a "claims made" rather than "occurrence" form, DFM or subcontractor shall maintain such insurance coverage with an effective date earlier or equal to the effective date of this agreement and continue coverage for a period of three years after the expiration of this agreement and any extensions thereof. In lieu of maintaining post-agreement expiration coverage as specified above, DFM or subcontractor may satisfy this provision by purchasing tail coverage for the claims-made policy. Such tail coverage shall, at a minimum, provide the insurance coverage required hereunder for claims received and reported three years after the expiration date of this agreement.

- (3) All insurance (except workers' compensation and professional liability) shall include an endorsement or an amendment to the policy of insurance which names *Shasta County, its elected officials, officers, employees, agents, and volunteers as additional insureds*. In the event that coverage is reduced or canceled, a notice of said reduction or cancellation shall be provided to County within 24 hours. Any available insurance proceeds in excess of the specified minimum limits and coverage pursuant to the terms of this agreement shall be applicable to the Additional Insured. The additional insureds coverage shall be equal to Insurance Service Office endorsement CG 20 10 for ongoing operations, and CG 20 37 for completed operations.

- (4) Each insurance policy (except for workers' compensation), or an endorsement thereto, shall contain a "separation of insureds" clause which shall read:

"Separation of Insureds.

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
 - b. Separately to each suit insured against whom a claim is made or suit is brought."
- (5) DFM shall provide County with an endorsement or amendment to DFM's policy of insurance as evidence of insurance protection before the effective date of this agreement.
- (5) The insurance coverage required herein shall be in effect at all times during the term of this agreement. In the event any insurance coverage expires at any time during the term of this agreement, DFM shall provide County, at least 20 days prior to said expiration date, a new endorsement or policy amendment evidencing insurance coverage as provided for herein for not less than the remainder of the term of this agreement or for a period of not less than one year. In the event DFM fails to keep in effect at all times insurance coverage as herein provided and a renewal endorsement or policy amendment is not provided within 10 days of the expiration of the endorsement or policy amendment in effect at inception of this agreement, County may, in addition to any other remedies it may have, terminate this agreement upon the occurrence of such event.

- (6) If the endorsement or amendment does not reflect the limits of liability provided by the policy of insurance, DFM shall provide County a certificate of insurance reflecting those limits.
- (7) Any of DFM's Excess Insurance shall contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of County.

ARTICLE 5.
OBLIGATIONS AND RESPONSIBILITIES OF THE COUNTY

5.1 Access to Facilities. The County shall provide DFM and its employees and authorized agents access to the County's facilities, including the Computer Hardware, and shall provide them with adequate facilities (including a desk, work area and computer), to enable DFM to perform its obligations under this Agreement in an effective, efficient and professional manner. Access shall be provided during the County's usual business hours upon reasonable prior notice except in the case of an emergency when access shall be provided as soon as is reasonably practicable.

5.2 Not Used.

5.3 Specified Operating System Software. The County shall be solely responsible for, and shall pay all costs and expenses associated with, the purchase or license of, and the installation and maintenance of, the appropriate version of the Specified Operating System Software required by DFM at any time or from time to time. The County acknowledges and understands that upgrading of Computer Hardware and of the Specified

Operating System Software and any other applications software used in conjunction with the DFM Software will be required from time to time; provided, however, in any event, DFM shall give the County at least one-hundred twenty (120) days prior written notice of the need to upgrade or replace the version of the Specified Operating System Software which the County is then using, and DFM shall consult with the County's user group regarding the scheduling of such changes.

5.4 **Responsibility for the County's Data.** At all times during the term of this Agreement, the County shall retain all ownership rights in the County's Data (as that term is defined below). In addition, notwithstanding any use by the County of any DFM Software in connection therewith, the County shall be solely responsible and accountable for the accuracy and completeness of, all data and information stored by it in any database in any format (hereafter referred to as the "County's Data"), and for any use, publication or other dissemination of the County's Data. If the County uses, publishes or otherwise disseminates, or otherwise allows any access to, any portion of the County's Data, whether before or after it has been manipulated by the DFM Software, and whether or not it is a commercial or noncommercial use, by doing so the County is representing to DFM that it has accepted, ratified and approved the accuracy and completeness of the County's Data and accepts full responsibility for it. The County hereby agrees to indemnify, defend, protect and hold DFM harmless from and against any claims, liabilities, judgments, costs and expenses, including reasonable attorneys' fees and costs, which DFM may incur or suffer arising out of the accuracy or inaccuracy of (which includes omissions to) the County's Data, including, without limitation, claims of any third party who accesses the County's Data using the DFM Software.

ARTICLE 6. PROPRIETARY ASPECTS OF THE DFM SOFTWARE; CONFIDENTIALITY COVENANTS

6.1 **Protection of Confidentiality of DFM Software.** DFM has taken reasonable security measures to protect the secrecy and confidentiality of the DFM Software. All employees of DFM and other persons who have designed, developed or programmed all or any portion of the DFM Software, or any software included therein, or who otherwise have knowledge of or access thereto, have been adequately notified that the DFM Software is proprietary to DFM and is not to be divulged, used or exploited except as expressly authorized by DFM in writing.

6.2 **Confidentiality Covenants of the County.** The County acknowledges and agrees that the DFM Software, and all constituent parts thereof, is valuable only as long

as it remains secret and confidential. Accordingly, the County agrees to take all steps reasonably necessary to protect and maintain the confidentiality of all DFM Software and to prevent it from entering the public domain or falling into the hands of others not bound by this Agreement except when required by law. In furtherance hereof, the County agrees as follows:

(a) The County shall use its good faith reasonable efforts to restrict access to any Computer Hardware running or capable of accessing the DFM Software, and to the DFM Software itself, to prevent unauthorized personnel from acquiring significant or confidential information concerning the DFM Software.

(b) To the extent reasonably practicable, the County shall require all persons who will have access to any DFM Software, to acknowledge receipt of a Notice of Confidential Material, in a form provided by DFM which is acceptable to the County.

(c) The County shall not duplicate or reproduce (except to the extent reasonably required to back-up the Specified DFM Software in the ordinary course of business), in any manner, any DFM Software, or any component or constituent parts thereof, and agrees not to disseminate, display or use any DFM Software, or any component or constituent parts thereof, of any information or material concerning any DFM Software, except as is reasonably necessary for the County to perform its functions using any Specified DFM Software and to comply with the terms of this Agreement.

(d) The County shall notify DFM immediately of any and all unauthorized disclosures, or any suspected unauthorized disclosures of any DFM Software.

6.3 Binding Effect. Notwithstanding the fact that certain employees, agents, contractors, subcontractors or licensees of the County are not parties to this Agreement, the terms and provisions of this Article 6 shall be binding upon the County and all of its officers, employees, agents, contractors, subcontractors and licensees.

6.4 Discovery of Specified DFM Software by Legal Process. If at any time, a party to any litigation involving the processes, function or departments of the County which uses any Specified DFM Software, seeks by way of litigation or legal process to discover information in any way related to any Specified DFM Software, or requires the production of any Specified DFM Software, or any component or constituent part thereof, the County shall promptly notify DFM of such matter as soon as the complaint, subpoena or discovery request has been served on the County or its lawyers, but in no event later than ten (10) days after service thereof. Prior to the time specified in the legal document, court order, subpoena or moving papers for the disclosure of information relating to, or the delivery of all or any portion of any Specified DFM Software, the County shall cooperate with DFM so as

to maintain, to the maximum extent reasonably practicable and permitted by law, the confidentiality and secrecy of all Specified DFM Software and to request, if requested by DFM, a protective order of the court or legal forum to avoid further disclosure or divulgence of any matters relating to any Specified DFM Software and to assure the continued protection of the confidentiality thereof. However, such action is to occur only in the event that DFM is unable to make timely intervention into said legal action or proceeding. DFM shall defend and indemnify the County for all reasonable legal fees and expenses which it incurs resulting from actions it has taken pursuant to this Section.

ARTICLE 7. WARRANTIES AND LIMITATIONS

7.1 Limited Warranty Specified DFM Software. DFM warrants, for the sole benefit of the County and no other person or entity, that the Specified DFM Software shall be capable of performing the core functions set forth on the DFM Software Addendum related thereto, subject to the limitations set forth in Section 7.2 below and on the Specified DFM Software Addendum. This is DFM's sole express warranty with respect to any Specified DFM Software. Any claim by the County against DFM for breach of its express warranty must be in writing and must be promptly delivered by the County to DFM. In the event of any breach of DFM's express warranty, the County's sole and exclusive remedy against DFM, and DFM's sole and exclusive liability to the County, shall be that DFM, at its sole cost and expense, shall exercise good faith (for all purposes of this Agreement, the term "good faith" shall have the same meaning as that term is defined and used in California Commercial Code Section 2103(I)(b)) reasonable efforts to provide adequate programming services to correct such inherent defect, as DFM and the County deem necessary or appropriate. Warranty service performed in accordance with this Section shall be performed during normal weekday business hours, excluding DFM holidays. With respect to any reported errors that result or will result in significant interruption of the County's productivity or down time ("Business Impacting Failures"), DFM shall use its best efforts to begin error correction procedures within twenty-four (24) hours after receipt of such report. With respect to any reported errors that do not constitute Business Impacting Failures, DFM shall use its good faith reasonable efforts to begin error correction procedures no later than seventy-two (72) hours after receipt of such report. DFM's sole and exclusive obligation under the foregoing warranty shall be to exercise its good faith reasonable efforts to implement appropriate error corrections in response to notices from the County of such errors.

7.2 Warranty Limitations Specified DFM Software. Notwithstanding the warranty provisions set forth in Section 7.1 above, all of DFM's obligations with respect

to such warranties shall be contingent upon the County' use of the Specified DFM Software in accordance with this Agreement and in accordance with instructions provided by DFM from time to time, including those set forth in the Manuals, as the same may be amended, supplemented or modified from time to time. DFM shall have no warranty obligation:

(a) With respect to any portion of the specified DFM Software which has been:

(i) Operated by the County or its employees, agents, contractors, subcontractors or licensees in a manner inconsistent with the requirements set forth in the Manuals or elsewhere, or that has been modified by any party other than DFM;

(ii) Damaged in any manner by any cause other than any act or omission of DFM;

(iii) Operated or maintained in environmental conditions outside the parameters designated by DFM in the Manuals or elsewhere;

(iv) Subjected to extreme power surges or electromagnetic field(s);

(v) Reinstalled without the prior written consent of DFM; or

(vi) Determined by DFM to have an error or defect, which fact is conveyed to the County together with supplemental instructions on how to avoid or circumvent the error or defect, and the County fails or refuses to follow the supplemental instructions.

(b) As a result of or in any way connected with any error or defect in the Specified Operating System Software and/or any application software provided by any Third Party Software Vendor; provided, however, in such event, DFM will use its good faith reasonable efforts to resolve the problem to the extent that a resolution is reasonably available by reprogramming the DFM Software;

(c) As a result of or in any way connected with the County's failure or refusal to use the Specified Operating System Software or to upgrade its Computer Hardware as requested by DFM; or

(d) As a result of or in any connected with any of the County's Data.

7.3 **Disclaimer of Warranties Specified DFM Software.** DFM DOES NOT REPRESENT OR WARRANT THAT THE SPECIFIED DFM SOFTWARE WILL BE FREE FROM ERRORS OR THAT ALL ERRORS IN ANY SPECIFIED DFM SOFTWARE WILL BE CORRECTED. THE WARRANTY STATED IN SECTION 7.1 IS THE SOLE AND EXCLUSIVE WARRANTY OFFERED BY

DFM. THERE ARE NO OTHER WARRANTIES RESPECTING THE SPECIFIED DFM SOFTWARE, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF DESIGN, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, EVEN IF DFM HAS BEEN INFORMED OR IS OTHERWISE MADE AWARE OF SUCH PURPOSE. No AGENT OF DFM IS AUTHORIZED TO ALTER OR EXCEED THE WARRANTY OBLIGATIONS OF DFM SET FORTH IN THIS ARTICLE 7.

7.4 Limitation on Liability and Remedy Specified DFM Software. THE COUNTY ACKNOWLEDGES THE COMPLEXITY AND INTERRELATIONSHIPS OF EACH OF THE COMPONENT AND CONSTITUENT PARTS COMPRISING ANY SPECIFIED DFM SOFTWARE. THE COUNTY FURTHER ACKNOWLEDGES AND AGREES THAT THE MONTHLY FEE WHICH DFM IS CHARGING FOR ANY SPECIFIED DFM SOFTWARE DOES NOT INCLUDE ANY CONSIDERATION FOR ASSUMPTION BY DFM OF THE RISK OF THE COUNTY'S INCIDENTAL OR CONSEQUENTIAL DAMAGES WHICH MAY ARISE IN CONNECTION WITH THE COUNTY'S USE OF ANY SPECIFIED DFM SOFTWARE. ACCORDINGLY, THE COUNTY AGREES THAT DFM SHALL NOT BE RESPONSIBLE TO THE COUNTY, OR ANY DEPARTMENT, AGENCY OR SUBDIVISION THEREOF, FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THE LICENSING, LEASING OR USE OF ANY SPECIFIED DFM SOFTWARE; PROVIDED HOWEVER THAT DFM SHALL BE RESPONSIBLE FOR SUCH INCIDENTAL (BUT NOT CONSEQUENTIAL) COSTS AND EXPENSES ARISING IN CONNECTION WITH ANY INFRINGEMENT OR ALLEGED INFRINGEMENT OF THIRD PARTY PROPRIETARY RIGHTS AS SET FORTH IN ARTICLE 8 BELOW.

ARTICLE 8. HOLD HARMLESS, COPYRIGHTS, PATENTS AND LICENSES

8.1 Indemnification by DFM. DFM, at its own expense, shall indemnify, defend, protect and hold the County harmless against any claim which may be brought against the County or its officers, agents or employees, to the extent that it is based on a claim that the County's use of the Specified DFM Software pursuant to this Agreement, or any of its components or constituent parts leased or licensed hereunder, infringes any patent, copyright, license or trade secret of any third party, and in such event, DFM shall pay all of those costs and damages, including expenses and reasonable attorneys' fees, finally awarded against the County or any of its officers, agents or employees attributable to such claim. Control of the defense, including all negotiations and discussions regarding compromise and settlement, shall be vested in DFM, but shall be with the advice and consent of the County.

The obligations of DFM set forth in this Section are conditional upon compliance by the County with all of the provisions set forth in Sections 8.2 through 8.3 below.

8.2 **Notice of Claims.** The County covenants and agrees to provide DFM with written notice of any actual, threatened or potential infringement claim within thirty (30) days of notice thereof by or to the County.

8.3 **Remedial Action.** If, in the opinion of DFM, the Specified DFM Software or any of its components leased to the County is likely to or has become the subject of a claim of infringement of patents, copyrights, licenses or trade secrets of any third party, then, without diminishing DFM's obligations to satisfy the final award, DFM may, at its option and expense, either (i) obtain the right for the County to continue to use the Specified DFM Software and its components leased hereunder, or (ii) substitute for the allegedly infringing components other equally suitable components mutually satisfactory to the County and DFM.

ARTICLE 9. TERM

The base term of this agreement shall be two years, beginning July 1, 2019 and ending June 30, 2021, provided that County may exercise two automatic one-year options to renew after the base term, under the same terms and conditions.

ARTICLE 10. RIGHT TO TERMINATE OR SUSPEND PERFORMANCE; BREACHES

10.1 **Non-Appropriation of Funds.** The continuation of this Agreement, as it relates to any Specified Consulting Service or to any Specified DFM Software after June 30th of the County's fiscal year, is subject to appropriation by the County's Board of Supervisors for the necessary funding hereof. In the event of non-appropriation of funds for the Monthly Fee, or any other consideration payable to DFM hereunder, this Agreement will automatically and immediately terminate on June 30th of the then-current County fiscal year end as to any Specified Consulting Service and the Specified DFM Software for which no appropriation was approved. However, in no event shall this Agreement be terminated, as provided in this Section, for the purpose of replacing any Specified Consulting Service and/or any Specified DFM Software. Any attempt by the County to replace any Specified Consulting Service and/or any Specified DFM Software prior to the expiration of the term set forth in the Addendum applicable thereto, shall be deemed to be a material breach by the County of this Agreement and the damages to which DFM will be entitled as a result thereof shall assume, for these purposes, that the County had fully appropriated all funds for the particular Consulting Service and/or the Specified DFM Software for the full term set forth in the Addenda related thereto. Any permissible termination of this Agreement pursuant to this Section shall not relieve the County of its obligations set forth in Article 6 above.

10.2 **County Breaches.** For purposes of this Agreement, the term "County Breach" or "County Breaches" means any one or more of the following events, acts or occurrences:

(a) Any breach by the County, or any of its officers, employees, agents, contractors, subcontractors or licensees, of any of the provisions of Article 6; provided, however, instead of terminating the Agreement, DFM, in its sole and absolute discretion, may give notice to the County of the breach, demanding adequate assurances from the County that it will protect the proprietary interest of DFM and remedy all prior breaches. In the event that the County fails to provide such adequate assurances and to remedy such breaches within seventy-two (72) hours of receipt of the notice ("Suspense Period"), the Agreement will automatically terminate as if no demand for adequate assurances had been made. For purposes of this Section, the parties agree that the Suspense Period is reasonable based on the proprietary interest to be protected by DFM and the interest of the County to continue the right to use any Specified DFM Software.

(b) Any modification of any DFM Software which is accomplished or undertaken by the County, its employees, or its authorized agents subject to this Agreement other than DFM or its employees or authorized agents, shall give DFM the right to terminate the Agreement, or any portion thereof related to the Specified DFM Software which was subject to the unauthorized modification.

(c) Any breach by the County of any of its monetary obligations to DFM, in which event DFM shall have the right, at any time after thirty (30) days prior written notice, to suspend its performance under this Agreement and, if the County Breach continues for an additional thirty (30) days, then DFM may, at its option, terminate the Agreement, or any portion thereof related to the Specified Consulting Service or Specified DFM Software which was involved in such breach.

(d) Any material breach by the County of any of its other obligations under this Agreement (other than those obligations described in subparagraphs (a) through (c) above), which continues for a period of thirty (30) days after written notice thereof from DFM specifying the nature of the breach and the curative action, if any, which must be taken, in which event the provisions of Section 10.4 shall become applicable at the expiration of the thirty (30) day period if the breach has not been fully cured at that time.

Subject to the provisions of Section 10.4 below, the remedies in favor of DFM set forth in this Section 10.2 are not exclusive and DFM shall have the right to pursue any other remedy to which it may be entitled.

10.3 Debilitating Event. Any of the following events, which occurs with respect to DFM, shall be deemed to be a "Debilitating Event" and shall cause this Agreement to be modified immediately upon notice to the County of such Debilitating Event and shall cause the Agreement to terminate automatically two hundred forty (240) days thereafter:

(a) Any assignment by DFM for the benefit of its creditors; or the entry of a court order appointing a receiver or trustee for all or substantially all of DFM's assets or properties, which order shall not be vacated, set aside or stayed within sixty (60) days from the day of entry of said court order; or the filing by DFM of a petition in bankruptcy or the commencement of any similar proceeding under any law for the relief of debtors by or against DFM; or

(b) Any permanent cessation by DFM of its business, which is not succeeded to by a successor in interest; or

(c) Any voluntary termination or dissolution of DFM pursuant to which the rights of DFM under this Agreement have not been transferred to a successor in interest.

10.4 Transition Period. For purposes of this Agreement, the term "Transition Period" shall mean the sixty (60) day period immediately following the occurrence of a County Breach other than a County Breach related to the payment of money to DFM, or two hundred forty (240) days following the occurrence of a Debilitating Event, whichever is applicable. This Agreement shall continue, and all obligations of the parties hereunder shall remain, in full force and effect during the Transition Period subject only to legal impairments on the ability of DFM to perform if the Transition Period arises as a result of a Debilitating Event. Provided, however, in no event shall the Transition Period extend beyond the expiration of the term of this Agreement. The obligations of the County set forth in this Agreement shall continue, to the extent applicable, notwithstanding the termination of this Agreement.

10.5 Obligations of the County At Expiration of Transition Period.

(a) Immediately upon the termination of this Agreement, the County shall return to DFM any and all tangible manifestations of any DFM Software previously delivered by DFM to the County, and any copies, duplicates or reproductions thereof, whether authorized or not.

(b) In the event of the occurrence of a Debilitating Event, the County shall be permitted to continue to use any Specified DFM Software during the Transition Period; provided, however, DFM will not provide any Software Maintenance, Software Enhancements or Software Releases during such period of time; and, provided, further, the obligation of the County to pay the Monthly Fee shall be reduced to an amount equal to eighty percent (80%) of the applicable Monthly Fee which would otherwise be applicable during such period.

10.6 Option to Purchase the Specified DFM Software. In the event of the termination of this Agreement as related to any Specified DFM Software, where such termination is as the result of a Debilitating Event, but only in such event, the County shall have the right and option to purchase the copy of the Specified DFM Software (including a copy of the source code) which it has installed on its Computer Hardware ("Software Purchase Option") on the terms and subject to the conditions set forth in this Section:

(a) In order to exercise its option pursuant to this Section, the County must deliver to DFM written notice ("Option Notice") of its intent to exercise the Software Purchase Option, specifying the Specified DFM Software which it desires to purchase, and it must deliver the Option Notice to DFM prior to the expiration of the Transition Period.

(b) The Purchase Price (as that term is defined below) is payable in cash in full not later than thirty (30) days after receipt by DFM of the Option Notice.

(c) The Purchase Price shall be equal to sixty (60) times the then applicable Monthly Fee for the Specified DFM Software which is the subject of the Software Purchase Option if the termination is during the first year after the commencement of the initial term of this Agreement as it is related to such Specified DFM Software, forty-eight (48) times the then applicable Monthly Fee if the termination is during the second year of the initial term, and thirty-six (36) times the then applicable Monthly Fee if the termination is at any other time.

(d) The Software Purchase Option is personal to the County and may not be sold or assigned. Strict compliance by the County with all of the provisions of this Section is required. Failure to strictly comply with the time frames shall cause the Software Purchase Option to terminate.

ARTICLE 11.

NO JOINT VENTURE

Nothing contained in this Agreement, or in any Addenda, shall be deemed or construed as creating a joint venture or partnership between the parties. Except as expressly set forth herein, no party by virtue of this Agreement or any Addenda is authorized as an agent, employee or legal representative of any other party, and the relationship of the parties is, and at all times will continue to be, that of independent contractors.

ARTICLE 12. INJUNCTIVE RELIEF

Notwithstanding any provision of this Agreement or of any Addenda to the contrary, either party shall have the right to seek and obtain injunctive relief against the other party from any judicial or administrative authority having jurisdiction, including any municipal or superior court of the State of California or any federal district court.

ARTICLE 13. MISCELLANEOUS PROVISIONS

13.1 Permits and Licenses. DFM and all of its employees and agents shall secure and maintain in force such license and permits as are required of DFM by law in connection the furnishing of equipment, materials or services necessary for DFM's performance under this Agreement.

13.2 Notices. All notices, requests, demands and other communications required or contemplated hereunder shall be in writing, shall be personally delivered or sent by registered or certified mail, postage prepaid, return receipt requested, and shall be deemed to have been given upon the earlier of (a) the date of personal delivery to the person to receive such notice at the address indicated below or (b) if mailed to the person to receive such notice at the address indicated below, four (4) business days after the date of posting by the United States Post Office as evidenced by the execution of the return receipt. The parties addresses, for all purposes hereof, are as follows:

If to DFM: DFM Associates
 10 Chrysler
 Irvine, California 92618
 Attn: Thomas G. Diebolt, President

If to the County: Shasta County Clerk/Elections
 1643 Market Street
 Redding, CA 96001
 Attn: Cathy Darling Allen

Notice of change of address shall be given by written notice but shall not be deemed effective until it has been given in the manner detailed in this Section.

13.3 Sales and Use Taxes. The County shall be responsible for paying, and shall pay, all applicable sales and use taxes. If the County advises DFM that no sales or use taxes are due or collectible, then the County shall indemnify, defend, protect and hold DFM harmless from and with respect to any claim related to the collection, payment or reporting of such sales or use taxes, including all penalties and interest thereon or as a result of the non-payment thereof or the failure to file any return required to be filed, and any attorneys' fees incurred by DFM in enforcing its indemnity rights hereunder or in defending any claim to collect or pay such sales or use taxes.

13.4 Not used.

13.5 Assignment. The County and DFM shall not be entitled to assign this Agreement or any of its rights or interest in this Agreement, including any rights or interests in any Addenda. This Agreement contemplates a license between DFM and the County without any right to license, sublicense, assign or sublease. Except as provided herein, this Agreement shall be binding upon the parties hereto and their respective successors and assigns.

13.6 Captions. The captions of the sections and subsections of this Agreement are included for reference purposes only and are not intended to be a part of this Agreement or in any way to define, limit or describe the scope or intent of the particular provision to which they refer.

13.7 Gender: Singular and Plural Number. The neuter gender includes the feminine and masculine, the masculine includes the feminine and neuter, and the feminine includes the masculine and neuter, and each includes a corporation, partnership or other legal entity when the context so requires. Also, the singular shall include the plural number where the context so requires and vice versa.

13.8 Interpretation. The parties hereto acknowledge and agree that each has been given the opportunity to independently review this Agreement with legal counsel, and has the requisite experience and sophistication to understand, interpret and agree to the particular language of the provisions hereof. In the event of any ambiguity in or dispute

regarding the interpretation of this Agreement, or any provision hereof, the interpretation of this Agreement shall not be resolved by any rule providing for interpretation against the party who causes the uncertainty to exist or against the party who is the draftsman of this Agreement.

13.9 Partial Invalidity and Severability. If any provision of this Agreement shall be held or deemed to be, or shall, in fact, be inoperative or unenforceable as applied in any particular case because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatsoever; provided, however, if any provision of this Agreement relating to the payment of monies to DFM or any provision of Articles 6, 7, 11 or 13 is found to be inoperative or unenforceable for any reason, then in such event, such provision shall not be severed from or read out of this Agreement. The invalidity of any one or more phrases, sentences, clauses, sections or subsections of this Agreement shall not affect the remaining portions thereof except as provided in the preceding sentence.

13.10 Further Assurances. Each party agrees to cooperate fully with the other party and to execute such further instruments, documents and agreements, and to give such further written assurances as may be reasonably requested by the other party, to better evidence and reflect the transactions described in and contemplated by this Agreement, and to carry into effect the intents and purposes of this Agreement.

13.11 No Implied Waivers. The failure of either party at anytime or from time to time to require performance by the other party of any provision hereof shall not affect in any way the right to require such performance at any later time nor shall the waiver by either party of a breach of any provision hereof be taken or held to be a waiver of such provision.

13.12 Applicable Law. This Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the internal laws, and not the laws pertaining to conflicts or choice of laws, of the State of California applicable to agreements made and to be performed wholly within the State of California.

13.13 Counterparts. This Agreement and any Addenda may be executed simultaneously in one or more counterparts, each of which together shall constitute one and the same instrument.

13.14 Entire Agreement: Amendment. This Agreement and all Addenda incorporated herein, and all other agreements, documents or writings required to be delivered in connection herewith, contain the entire understanding between the parties hereto with respect to the subject matter hereof and supersede any and all prior or contemporaneous written or oral negotiations and agreements between them regarding the subject matter hereof. No addition, modification or amendment of or to any term or provision of this Agreement, or to this Agreement as a whole, shall be effective unless set forth in writing and signed by all of the parties hereto.

IN WITNESS WHEREOF, County and DFM have executed this agreement on the dates set forth below. By their signatures below, each signatory represents that he/she has the authority to execute this agreement and to bind the Party on whose behalf his/her execution is made.

COUNTY OF SHASTA

Date: _____

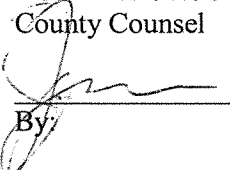
LEONARD MOTY, CHAIRMAN
Board of Supervisors
County of Shasta
State of California

ATTEST:

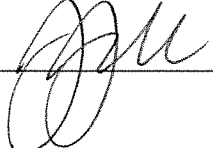
LAWRENCE G. LEES
Clerk of the Board of Supervisors

By: _____
Deputy

Approved as to form:
RUBIN E. CRUSE, JR
County Counsel

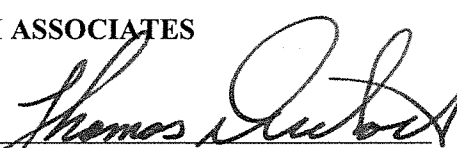
By:  8/23/19

RISK MANAGEMENT APPROVAL


By:  08/26/19

DFM ASSOCIATES

Date: _____

By: 
THOMAS G. DIEBOLT, President
Tax I.D.#: 95-3647032

IT Approved:

 8-22-2019
Thomas Schreiber, CIO

**EIMS® for Windows SOFTWARE ADDENDUM
EXHIBIT A**

EIMS® is an acronym for Election Information Management System and means the computer software designed by DFM for use in the various processes used to register and manage voters, election officials and polling places as well as the election process itself. EIMS® includes the EIMS® Software, the EIMS® Subsystems, any EIMS® Enhancement and any EIMS® Software Releases. EIMS® is proprietary to DFM and reference is made to Article 6 of the Agreement.

- 10 Core Function:** The core function of the EIMS® is to gather and maintain data for use in the process of registering voters and the processing of elections. The ability of the EIMS® to perform the core functions is dependent upon, among other things, all of the following: (1) accuracy and completeness of the County's Data; and (2) continual verification by the County of the accuracy and completeness of the County's Data.
- 20 Description of EIMS®:** EIMS® is more particularly described on Exhibit A attached hereto and incorporated herein by this reference.
- 30 Lead Tools Image License:** \$0 (previously purchased).
- 40 Monthly Fee:** The monthly lease fee is \$6000.00.
- 50 Initial Lease Term:** Forty-eight (48) months beginning July 1, 2019 and continuing thereafter until June 30th, 2021 (subject to extension as provided in Article 9 of the Master Agreement).
- 60 Incorporation of Master Agreement.** The provisions of the Master Agreement, including, without limitation, Article 3, are incorporated herein by this reference as if set forth in full.

**EXHIBIT
B**

EIMS® for Windows includes the following functional Modules:

Precinct/District

Create and maintain precincts, districts and the relationship between those entities.

Street Guide

Create and maintain street segments and their relationship to precincts.

Office/Incumbent

Create and maintain office types, office definitions, and incumbent data.

Voters

Create and maintain voter registration records. Allows for maintaining active, canceled and inactive voter records. Provides duplicate checking, customer tape generation, and other reporting features.

Affidavit Tracking

Maintains records of affidavits provided to third parties and tracks those subsequently returned.

Officers/Polling Places

Maintain records of polling places, election officers and election night workers.
Maintain history.

Election Workspace

Manage Election definitions including contests, candidates and measures.
Provides Ballot typing, consolidation, election officer and polling place management for the election. Produce election related mailings and reports.
Manage Absentee/Mailed ballot voters.

Petition Checking

Manage petition information, define new petitions, select random sample, provides system directed signature checking.

Resources

Manage county specific information and options.

REPORT TO SHASTA COUNTY BOARD OF SUPERVISORS

BOARD MEETING DATE: September 10, 2019

CATEGORY: Consent - Health and Human Services-9.

SUBJECT:

Agreement with North Valley Behavioral Health, LLC. for Inpatient Psychiatric Services

DEPARTMENT: Health and Human Services Agency-Adult Services

Supervisory District No. : All

DEPARTMENT CONTACT: Dean True, Branch Director, HHSA Adult Services (530) 225-5900

STAFF REPORT APPROVED BY: Donnell Ewert, Director, Health and Human Services Agency

Vote Required?	General Fund Impact?
Simple Majority Vote	No Additional General Fund Impact

RECOMMENDATION

Approve and authorize the Chairman to sign a retroactive renewal agreement with North Valley Behavioral Health, LLC in an amount not to exceed \$2,000,000 to provide inpatient psychiatric services for the period July 1, 2019 through June 30, 2022.

SUMMARY

The proposed renewal agreement will allow North Valley Behavioral Health, LLC (NVBH) to continue to provide acute psychiatric inpatient services to Shasta County residents on a fee-for-service basis.

DISCUSSION

Shasta County has had an ongoing relationship with NVBH since 2005 and they have been a significant partner in providing psychiatric inpatient services for Shasta County residents. This proposed renewal agreement will allow Shasta County to continue to utilize the NVBH Psychiatric Health Facility (PHF) when other psychiatric inpatient facilities are unavailable or when the NVBH PHF is the best treatment option for a client. The maximum compensation remains at \$2,000,000 during the three-year term of the agreement to ensure NVBH availability for Shasta County residents requiring this level of care. NVBH has consistently provided satisfactory service for Shasta County residents and the rate for this proposed agreement remains at \$875 per day. Because the services are provided on a fee-for-service basis, Shasta County is only obligated to pay for beds when a Shasta County resident utilizes the inpatient services at NVBH.

The agreement contains a provision which authorizes the Health and Human Services Agency (HHSA) Director or any HHSA Branch Director designated by the HHSA Director to sign minor amendments, including retroactive and prospective rate changes, that do not result in a substantial or functional change to the original intent of this agreement, do not cause an increase to the maximum amount payable under this agreement, and otherwise comply with Administrative Policy 6-101, Shasta County Contracts Manual. The agreement is retroactive due to late notification of Department of Health Care Services mandated changes to contracted services provided by psychiatric health facilities.

ALTERNATIVES

The Board could choose not to approve the recommendation, defer consideration to a future date, or provide alternate direction to staff.

OTHER AGENCY INVOLVEMENT

County Counsel has approved the agreement as to form. Risk Management has approved the agreement. The Recommendation has been reviewed by the County Administrative Office.

FINANCING

The maximum compensation payable under this agreement is \$2,000,000 during the entire term of the agreement. Expenditure authority related to this agreement is included in the Mental Health (BU 410) Fiscal Year 2019-20 Adopted Budget and will be included in future year budget submittals. Revenue to offset approximately 28 percent of the costs of psychiatric hospitalization is reimbursed from third party sources like Medi-Cal, but the majority of costs for hospitalization are borne by Mental Health realignment. There is no additional General Fund impact associated with this Recommendation.

ATTACHMENTS:

Description	Upload Date	Description
Agreement	8/20/2019	Agreement

**PERSONAL SERVICES AGREEMENT BETWEEN THE COUNTY OF SHASTA
AND
NORTH VALLEY BEHAVIORAL HEALTH, LLC**

This agreement is entered into between the County of Shasta, a political subdivision of the State of California, through its Health and Human Services Agency ("County") and North Valley Behavioral Health, LLC, a California limited liability company ("Contractor"), (collectively, the "Parties" and individually a "Party") for the purpose of providing psychiatric inpatient services.

Section 1. DEFINITIONS

For purposes of this agreement, the following definitions shall apply:

- A. **Client** means an individual determined to need treatment for a psychiatric illness or disorder, including but not limited to individuals with Medi-Cal benefits ("Beneficiary"), County Medical Services Program ("CMSP") benefits or uninsured County residents.
- B. **Concurrent Review** means the review of treatment authorization requests by Contractor for inpatient mental health services in order to approve, modify, or deny requests for continued services based on a determination of medical necessity by County or its contracted provider. The review of treatment authorization requests is concurrent with the provision of services and is required after the first day of admission through day of discharge.
- C. **Psychiatric Health Facility Services ("Services")** means therapeutic and/or rehabilitative services provided in a psychiatric health facility ("PHF") on an inpatient basis to Clients who need acute care, which is care that meets the criteria of California Code of Regulations ("CCR"), Title 9, section 1820.205, and whose physical health needs can be met in an affiliated general acute care hospital or in outpatient settings.

Section 2. RESPONSIBILITIES OF CONTRACTOR.

Pursuant to the terms and conditions of this agreement, Contractor shall:

- A. Provide psychiatric inpatient services at Contractor's Psychiatric Health Facility ("PHF") for County's Clients in accordance with the terms, conditions and specifications as set forth herein and in **EXHIBIT A, PROGRAM RESPONSIBILITIES OF CONTRACTOR**, and **EXHIBIT B, PAYMENTS**, attached and incorporated herein.
- B. Provide linguistically competent services, in accordance with Title VI of the Civil Rights Act of 1964 and Title VI Regulations for federally funded programs to insure equal access for Limited English Proficiency individuals with appropriate language certified interpreters either through in-house means, or by contracting with an appropriate service provider.
- C. Acknowledge and agree this contract shall be governed by, and construed in accordance with, all laws and regulations, and all contractual obligations of the Contractor under the State of California approved Shasta County Mental Health Plan ("MHP"), number 17-94616, as found at <http://www.co.shasta.ca.us/index/>

[hhsa_index/Community_partnerships/OrgProviders.aspx](#) and any subsequent updates.

- D. Check County's website for updates to the Shasta County MHP regularly to ensure Contractor has current approved Shasta County MHP. Should Contractor be unable to access the electronic version of the Shasta County MHP, County will provide Contractor with a hard copy upon written request.
- E. Confer with County staff regarding inpatient placement and coordination of care.
- F. Designate a Contractor Liaison to coordinate services/discharge plans with County's Transition Admission and Discharge Team ("TAD Team") as set forth in **EXHIBIT A**.
- G. Provide Concurrent Review in compliance with County-approved Contractor's policies and procedures, Final Rule, and DHCS regulatory and MHP agreement requirements.
- H. Comply with County findings as a result of any County investigation pursuant to Welfare and Institutions Code ("WIC") section 5326.9.
- I. Submit written documentation of medical necessity including any relevant comprehensive psychiatric evaluations, physician orders, treatment plans, progress notes, discharge plans, or clinical information as determined by County for all Clients placed at Contractor's PHF for psychiatric inpatient services, in a format approved by County and in accordance with CCR, Title 9, sections 1820.205 and 1820.225.
- J. Comply with WIC sections 8100-8108 regarding notification to the California Department of Justice.
- K. **Reporting.**
 - 1. Cooperate with County requests for information on Clients receiving services from Contractor under the terms of this agreement to conform to state-required Client Service Information ("CSI") and/or other reports as requested by County.
 - 2. Notify the Health and Human Services Agency ("HHSA") Director, or any HHSA Branch Director designated by the HHSA Director, within two hours of any serious incident which occurs in connection with the performance of this agreement. Within 24 hours of incident, Contractor shall submit to County a written report in such form as may be required by County for all serious incidents which occur in connection with the performance of this agreement. This report must include, at a minimum, the following information:
 - a. Name and address of the injured or deceased person; if any.
 - b. Name and address of Contractor's staff or subcontractor, if any were involved in the incident.
 - c. Name and address of Contractor's liability insurance carrier.

- d. A detailed description of the incident and whether any of County's Clients, equipment, tools, material, or employees were involved.
- L. Pursuant to section 5608 of the WIC, services hereunder shall be provided by Contractor under the general supervision of the HHSA Director ("Director"), or his or her designee. The Director or his or her designee shall have the right to oversee, monitor, report on and specify the kind, quality, appropriateness, timeliness, and amount of the services and the criteria for determining the Clients to be served under this agreement.
- M. **Personnel.**
 1. Furnish such qualified professional personnel as prescribed by Title 9, and Title 22, Chapter 9 of the CCR for the type of services prescribed and provided herein.
 2. Comply with all applicable federal and state laws, rules and regulations in regard to non-discrimination in employment because of race, color, ancestry, national origin, religion, sex, marital status, sexual preference, age, medical condition, or disability, (including compliance with the Federal Rehabilitation Act of 1973, section 504.)
- N. **Licensing Requirements.**

Comply with all applicable county and/or state licensing requirements and must obtain appropriate licenses and display the same in a location that is reasonably conspicuous. Contractor shall abide by the Short-Doyle Act (WIC, Division 5, Part II, section 5600 et seq.); Title 9, and Title 22 of the CCR; the State Cost Reporting/Data Collection Manual ("CR/DC"); and California Department of Health Care Services ("DHCS") and prior Department of Mental Health Policy Letters.
- O. **Clinical Records.**
 1. Maintain Client records in accordance with all state and federal requirements. Client records must comply with all appropriate state and federal requirements. Individual Client records shall contain intake information, interviews, and progress notes. Client records shall contain details adequate for the evaluation of the service.
 2. Provide County with required records for billing purposes, utilization review, and other purposes as may be required under the terms of this agreement.
 3. Agree that County payment may be delayed or withheld for lack of appropriate records and/or contents of those records required from Contractor in order to bill under Medi-Cal or other third-party payer sources.
- P. **Quality Assurance.**
 1. Notify County pursuant to Section 16.C. of this agreement of any and all serious incidents involving a Client or the PHF, including but not limited to, death or injury, at the PHF. All serious incidents are reviewed by County

and any recommendations will be forwarded both to the Director, or his or her designee, and the Contractor's Administrator, or his or her designee.

2. Furnish County with a copy of its current Quality Assurance Policies and Procedures and its Client Problem Resolution Process within 30 days of execution of this agreement.

Q. Patient Rights.

Comply with all applicable laws and regulations pertaining to the rights of patients and Clients. Specifically, Provider shall adopt and post in a conspicuous place or places a written policy on the rights of patients in accordance with section 70707 of Title 22 of the CCR and shall comply with sections 5325 and 5325.1 of the WIC. Alleged or suspected violations of patient rights as set forth in sections 5325 and 5325.1 shall be investigated by the local director of mental health, or his/her designee pursuant to section 5326.9 and complaints by patients shall be investigated by County's Patients' Rights Advocate pursuant to sections 5500-5550, and, when appropriate for either type of investigation referenced in this section, by the State of California Department of Mental Health (or any other subsequent appropriate state agency) or other persons and entities as required by law or regulation.

1. Comply with provisions pertaining to rights of youth patients and Clients. Provider shall operate in accordance with the provisions of Chapter 1 or Part 1 of Division 6 (commencing with section 6002.15) of the WIC, and other applicable laws and regulations.

R. Records to be Kept, Audits or Review, Reports, Availability, Period of Retention

1. **Inspection Rights** - Contractor, upon written request and as authorized by law, shall make all of its books, reports and records, pertaining to the services furnished under the terms of this agreement available for inspection, examination, or copying:
 - a. By any duly authorized agents of DHCS (or any other subsequent appropriate state agency), the United States Department of Health and Human Services, and the Comptroller General of the United States. The United States Department of Health and Human Services and Comptroller of the United States are intended third-party beneficiaries of this covenant.
 - b. At all reasonable times at Provider's PHF or Provider's places of business or at such other mutually-agreeable locations in California.
 - c. In a form maintained in accordance with the general standards applicable to such books, reports, or records.
 - d. For a term of at least ten years from the close of the County Fiscal Year in which this agreement was in last effect, or until resolution of any audit, review, claim, or litigation pursuant thereto, whichever is later. For the purposes of this agreement, the County Fiscal Year begins on July 1 and ends on June 30 of the following calendar year.

- e. By making adequate office space available for review teams or auditors to perform the inspection, examination, and/or copying described herein. Such space must be capable of being locked and secured to protect the work of the review team or auditors during the period of their inspection, examination, and/or copying.
 - f. By permitting on-site reviews and audits during normal working hours with at least 72-hour notice, except that unannounced on-site reviews and requests for information may be made at the sole discretion of the inspecting entity in those exceptional situations where arrangement of an appointment beforehand is clearly not possible or clearly inappropriate to the nature of the intended review and/or audit.
- 2. These audits or reviews may evaluate the following matters pertinent to Medi-Cal beneficiaries:
 - a. Level and quality of care, and the necessity and appropriateness of the services provided.
 - b. Internal procedures for assuring efficiency, economy, and quality of care.
 - c. Grievances or complaints relating to medical care and their disposition.
 - d. Beneficiary-related financial records when determined necessary by County to assure accountability for public funds.
- 3. Maintain complete financial records including an annual, independent audit prepared in accordance with Office of Management and Budget ("OMB") Circular A-133, which clearly reflects the actual cost of each type of service for which Provider claims payment hereunder. Within 90 days after the close of each County Fiscal Year during the term of this agreement, Provider shall provide County with an annual Cost Report in the appropriate format for submission to DHCS for Medi-Cal reimbursement. The Beneficiary eligibility determination and the fees charged to and collected from Beneficiaries shall also be shown in such records, and any apportionment of costs shall be made in accordance with Public Law 98-502 (31 United States Code ("USC") section 7501 et seq.), OMB Circular A-133 and generally accepted accounting principles.
- 4. Maintain medical records as required by sections 70747 through 70751 of Title 22 of the CCR and other records related to a Beneficiary's eligibility for services, the service rendered, the Beneficiary to whom the service was rendered, the date of the service, the medical necessity of the service, and the quality of service provided. Records shall be maintained in accordance with section 51476 of Title 22 of the CCR. The foregoing constitutes "records" for the purposes of this Article (Article VI).
- 5. The Parties agree that the purpose of both the inspection, examination and/or copying of books, reports, and records as well as any audits and

reviews conducted and authorized by Section 1.P. of this agreement, is solely to assess Provider and Provider's subcontractor's compliance with the terms and conditions of this agreement.

6. Contractor does not waive the provisions of Evidence Code section 1157 with regard to medical staff records as applicable to state and federal laws and Provider's Bylaws.

S. Subcontracts.

1. Maintain and make available to County, the United States Department of Health and Human Services, and agents of the State of California, upon written request, copies of all subcontracts for the performance of any of Provider's obligations and responsibilities under this agreement. Contractor shall assure that all subcontracts entered into from the effective date of this agreement shall require subcontractors to:
 - a. Make all applicable books and records pertaining to this agreement available upon 48-hour advance notice and during customary business hours for inspection, examination, or copying by County, DHCS, or the United States Department of Health and Human Services.
 - b. Retain such books and records for a term of seven years from the close of the State of California's fiscal year in which the subcontract became effective or until resolution of any audit, review, or claim, or litigation pursuant thereto, whichever is later.

T. Recovery of Overpayments to Provider, Liability for Interest.

1. When an audit or review performed by any authorized agency discloses that Contractor has been overpaid under this agreement, or where the total payments exceed the total liability under this agreement, Contractor covenants that any such overpayment or excess payments over liability may be recouped by County by withholding the amount due from future payments, seeking recovery by payment from Contractor, or a combination of these two methods.
2. When recoupment or recovery is sought under Section 2.R. of this agreement, Contractor may appeal according to applicable procedural requirements of the regulations adopted pursuant to Part 2.5 of Division 5 (commencing at section 5775) of the WIC, with the following exceptions:
 - a. The process for recovery or recoupment shall commence within 60 days after issuance of account status or demand resulting from an audit or review and shall not be deferred or tolled by the filing of a request for an appeal according to the applicable regulations.
 - b. Contractor's liability to County for any overpayment or excess payment shall be as provided in section 5779(e) of the WIC.

U. Program Integrity Requirements.

1. Comply with all state and federal statutory and regulatory requirements for certification of claims including Title 42, Code of Federal Regulations (“CFR”) Part 438.
2. For each Client who is a Beneficiary, for whom Contractor is submitting a claim for reimbursement assure the following:
 - a. An assessment of the Beneficiary was conducted in compliance with the requirements established in the Shasta County MHP.
 - b. The Beneficiary was eligible to receive Medi-Cal services at the time the services were provided to the Beneficiary.
 - c. The services included in the claim were actually provided to the Beneficiary.
 - d. Medical necessity was established for the Beneficiary as defined by statute and/or regulation for the service or services provided, for the timeframe in which the services were provided, except for the initial assessment and when County decides to refer Client to Contractor for services who is a Beneficiary at the PHF as allowed by regulation.
 - e. A Client plan was developed and maintained for the Beneficiary that met all Client plan requirements as set forth in the MHP.
2. In addition, Contractor certifies the following processes are in place:
 - a. Written policies, procedures, and standards of conduct that articulate Contractor’s commitment to comply with all applicable federal and state standards.
 - b. The designation of a compliance officer and a compliance committee who/that are accountable to Contractor’s senior management.
 - c. Effective training and education for the compliance officer, compliance committee, and the Contractor’s employees.
 - d. Enforcement of standards through well-publicized employee disciplinary guidelines.
 - e. Internal auditing and monitoring.
 - f. Prompt response to detected offenses and development of corrective action initiatives relating to the provision of mental health services

- V. Comply with USC section 1352 of Title 31 and no funds expended pursuant to this agreement shall be used 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 or agreement, the making of any federal grant, the making of any federal loan, entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract or agreement, grant, loan, or

cooperative agreement. All services rendered by Contractor pursuant to this agreement shall be in compliance with USC section 1352 of Title 31, and in conjunction therewith Contractor shall execute the attached **EXHIBIT C, CERTIFICATION REGARDING LOBBYING**, attached hereto and incorporated herein.

- W. Services provided under this agreement shall be provided by Providers with employment or personal services arrangements with Contractor satisfying the employment or personal services safe harbors of the federal anti-kickback law [42 CFR section 1001.952(d) and (i)] and the personal service exception of the Stark Law [42 CFR section 411.357(d)] as applicable or as otherwise authorized by law.
- X. As required by Government Code section 7550, each document or report prepared by Contractor for or under the direction of County pursuant to this agreement shall contain the numbers and dollar amount of the agreement and all subcontracts under the agreement relating to the preparation of the document or written report. If multiple documents or written reports are the subject of the agreement or subcontracts, the disclosure section may also contain a statement indicating that the total agreement amount represents compensation for multiple documents or written reports. Contractor shall label the bottom of the last page of the document or report as follows: department name, agreement number, and dollar amount. If more than one document or report is produced under this agreement, Contractor shall add: "This [document or report] is one of [number] produced under this agreement."

Section 3. RESPONSIBILITIES OF COUNTY.

Pursuant to the terms and condition of this agreement, County shall:

- A. Compensate Contractor as prescribed in sections 4 and 5 of this agreement and shall monitor the outcomes achieved by Contractor.
- B. Be responsible, through County's TAD Team, for coordinating outpatient mental health services, residential care and other community supports deemed necessary for Shasta County Clients discharged from Contractor's PHF.
- C. Assign a County designated liaison ("County Liaison") who shall participate in clinical care coordination meetings as clinically indicated as determined by either Party for the purpose of coordinating Client services/discharge plans. County Liaison to be designated by the HHSA Director, or his or her designee.
- D. Provide Contractor with a copy of the Shasta County MHP upon written request. For the purposes of this agreement, the "Shasta County MHP number 17-94616" is the agreement effective July 1, 2017 through June 30, 2022 between DHCS and the County, or any subsequent agreement.
- E. Monitor Contractor's compliance with the Shasta County MHP.

Section 4. COMPENSATION.

- A. Contractor shall be paid in accordance with **EXHIBIT B** for the services described in this agreement.
- B. In no event shall the maximum amount payable under this agreement exceed \$2,000,000 during the entire term of the agreement.

- C. During the term of this agreement, the HHSA Director, or any HHSA Branch Director designated by HHSA Director, may approve rate changes, both retroactive and prospective, provided that the rate increase shall not increase the maximum amount payable under this agreement.
- D. Contractor's violation or breach of agreement terms may result in fiscal penalties, withholding of compensation, or termination of agreement.

Section 5. BILLING AND PAYMENT.

- A. Contractor shall submit to Shasta County HHSA, Business and Support Services Branch, Attn: Accounts Payable, P.O. Box 496005, Redding, CA 96049-6005, monthly by the 15th of each month for the preceding month, an itemized statement or invoice of services rendered and supporting documentation identifying the Client name, date of birth, admission date, discharge date, and length of services. Itemized statement or invoice must include Contractor's current and active National Provider Identifier ("NPI") number under which the services provided pursuant to this agreement shall be billed to state or federal payer sources. Except as may otherwise be provided in this agreement, County shall make payment within 30 days of receipt of Contractor's correct and approved invoices and supporting documentation. The statement or invoice of services rendered for the final month of this agreement, June 2022, shall be submitted no later than July 10, 2022. County shall not be obligated to pay Contractor for services covered by any invoice, if Contractor presents the invoice to County more than 90 days after the date services were rendered by Contractor. For the purposes of effectuating payment of compensation, this provision shall survive the termination, expiration, or cancellation of this agreement.
- B. Upon termination of this agreement, County shall compensate Contractor pursuant to the terms of this agreement within 30 days of receipt of Contractor's final Invoice. Contractor shall submit Contractor's final invoice, within 15 days of the effective date of termination. To the extent necessary to effectuate full compensation of Contractor, this provision shall survive the termination of this agreement.
- C. Compensation under this agreement shall be reduced by applicable contractor revenues. The term "applicable contractor revenues" refers to those receipts or reductions in expenditures or costs which operate to offset or reduce expense or cost items that are allocable to Contractor's compensation under this agreement (such as but not limited to: purchase discounts, rebates or allowances, insurance refunds and adjustments or overpayment, or other erroneous charges). To the extent that applicable contractor revenues, accruing or received by Contractor relate to allowable reduction, or a cash refund, as appropriate.
- D. Should County, or the state or federal government, disallow any amount claimed by Contractor, Contractor shall reimburse County, or the state or federal government, as directed by County, or the state or federal government, for such disallowed cost.

Section 6. TERM OF AGREEMENT.

The term of this agreement shall commence with all rights and obligations herein made effective on July 1, 2019 and shall end June 30, 2022. Notwithstanding the foregoing, County shall not be obligated for payments hereunder for any future County fiscal year unless or until County's Board of Supervisors appropriates funds for this agreement in County's budget for that County fiscal year. In the event that funds are not appropriated for this agreement, then this agreement shall end as of June 30 of the last County fiscal year for which funds for this agreement were appropriated. County shall notify Contractor in writing of such non-appropriation at the earliest possible date.

Section 7. TERMINATION OF AGREEMENT.

- A. If Contractor materially fails to perform Contractor's responsibilities under this agreement to the satisfaction of County, or if Contractor fails to fulfill in a timely and professional manner Contractor's responsibilities under this agreement, or if Contractor violates any of the terms or provisions of this agreement, then County shall have the right to terminate this agreement for cause effective immediately upon the County giving written notice thereof to Contractor. If termination for cause is given by County to Contractor and it is later determined that Contractor was not in default or the default was excusable, then the notice of termination shall be deemed to have been given without cause pursuant to paragraph B of this section.
- B. County may terminate this agreement without cause on not less than 90 days written notice to Contractor. Contractor may terminate this agreement without cause on not less than 120 days written notice to County.
- C. County may terminate this agreement immediately upon oral notice should funding cease or be materially decreased during the term of this agreement. County shall provide written notice to Contractor within five business days after providing oral notice.
- D. County's right to terminate this agreement may be exercised by the Shasta County Board of Supervisors, the County Executive Officer, the Shasta County HHSA Director, or any HHSA Branch Director designated by the HHSA Director.
- E. Should this agreement be terminated, Contractor shall promptly provide to County any and all finished and unfinished reports, data, studies, photographs, charts, and other documents prepared by Contractor pursuant to this agreement.
- F. If this agreement is terminated, Contractor shall only be paid for services satisfactorily completed and provided prior to the effective date of termination.

Section 8. ENTIRE AGREEMENT; AMENDMENTS; HEADINGS; EXHIBITS/APPENDICES.

- A. This agreement supersedes all previous agreements relating to the subject of this agreement and constitutes the entire understanding of the Parties hereto. Contractor shall be entitled to no other benefits other than those specified herein. Contractor specifically acknowledges that in entering into and executing this agreement, Contractor relies solely upon the provisions contained in this agreement and no others.

- B. No changes, amendments, or alterations to this agreement shall be effective unless in writing and signed by both Parties. In addition to the provisions of Section 4.C. of this agreement, minor amendments, including retroactive, that do not result in a substantial or functional change to the original intent of this agreement and do not cause an increase to the maximum amount payable under this agreement may be agreed to in writing between Contractor and the Shasta County HHSA Director, any HHSA Branch Director designated by the HHSA Director, or any HHSA Branch Deputy Director designated by the HHSA Director, provided that the amendment is in substantially the same format as the County's standard format amendment contained in the Shasta County Contracts Manual (Administrative Policy 6-101).
- C. The headings that appear in this agreement are for reference purposes only and shall not affect the meaning or construction of this agreement.
- D. If any ambiguity, inconsistency, or conflict exists or arises between the provisions of this agreement and the provisions of any of this agreement's exhibits or appendices, the provisions of this agreement shall govern, except to the extent the provisions of this agreement conflict with the provisions of the Shasta County MHP, in which case the provisions of the Shasta County MHP govern.

Section 9. NONASSIGNMENT OF AGREEMENT; NON-WAIVER.

Inasmuch as this agreement is intended to secure the specialized services of Contractor, Contractor may not assign, transfer, delegate, or sublet any interest herein without the prior written consent of County. The waiver by County of any breach of any requirement of this agreement shall not be deemed to be a waiver of any other breach.

Section 10. EMPLOYMENT STATUS OF CONTRACTOR.

Contractor shall, during the entire term of this agreement, be construed to be an independent contractor, and nothing in this agreement is intended nor shall be construed to create an employer-employee relationship, a joint venture relationship, or to allow County to exercise discretion or control over the professional manner in which Contractor performs the work or services that are the subject matter of this agreement; provided, however, that the work or services to be provided by Contractor shall be provided in a manner consistent with the professional standards applicable to such work or services. The sole interest of County is to insure that the work or services shall be rendered and performed in a competent, efficient, and satisfactory manner. Contractor shall be fully responsible for payment of all taxes due to the State of California or the federal government that would be withheld from compensation if Contractor were a County employee. County shall not be liable for deductions for any amount for any purpose from Contractor's compensation. Contractor shall not be eligible for coverage under County's workers' compensation insurance plan nor shall Contractor be eligible for any other County benefit. Contractor must issue W-2 and 941 Forms for income and employment tax purposes, for all of Contractor's assigned personnel under the terms and conditions of this agreement.

Section 11. INDEMNIFICATION.

To the fullest extent permitted by law, Contractor shall indemnify and hold harmless County, its elected officials, officers, employees, agents, and volunteers against all claims,

suits, actions, costs, expenses, (including, but not limited to, reasonable attorney's fees of County Counsel and counsel retained by County, expert fees, litigation costs, and investigation costs), damages, judgments, or decrees arising from the work or the provision of services undertaken pursuant to this agreement by Contractor, or by any of Contractor's subcontractors, any person employed under Contractor, or under any subcontractor, or in any capacity, except when the injury or loss is caused by the sole negligence or intentional wrongdoing of County. Contractor shall also, at Contractor's own expense, defend the County, its elected officials, officers, employees, agents, and volunteers, against any claim, suit, action or proceeding brought against County, its elected officials, officers, employees, agents, and volunteers, arising from the work or the provision of services undertaken pursuant to this agreement by Contractor, or any of Contractor's subcontractors, any person employed under Contractor, or under any Subcontractor, or in any capacity. Contractor shall also defend and indemnify County for any adverse determination made by the Internal Revenue Service or the State Franchise Tax Board and/or any other taxing or regulatory agency and shall defend, indemnify, and hold harmless County with respect to Contractor's "independent contractor" status that would establish a liability on County for failure to make social security deductions or contributions or income tax withholding payments, or any other legally mandated payment. The provisions of this paragraph are intended to be interpreted as broadly as permitted by applicable law. This provision shall survive the termination, expiration, or cancellation of this agreement.

Section 12. INSURANCE COVERAGE.

- A. Without limiting Contractor's duties of defense and indemnification, Contractor and any subcontractor shall obtain, from an insurance carrier authorized to transact business in the State of California, and maintain continuously during the term of this agreement Commercial General Liability Insurance, including coverage for owned and non-owned automobiles, and other coverage necessary to protect County and the public with limits of liability of not less than \$1 million per occurrence; such insurance shall be primary as to any other insurance maintained by County.
- B. Contractor and any subcontractor shall obtain and maintain continuously required Workers' Compensation and Employer's Liability Insurance to cover Contractor, subcontractor, Contractor's partner(s), subcontractor's partner(s), Contractor's employees, and subcontractor's(s') employees with an insurance carrier authorized to transact business in the State of California covering the full liability for compensation for injury to those employed by Contractor or subcontractor. Each such policy shall be endorsed to state that the Workers' Compensation carrier waives its right of subrogation against *County, its elected officials, officers, employees, agents, and volunteers* which might arise in connection with this agreement. Contractor hereby certifies that Contractor is aware of the provisions of section 3700 of the Labor Code, which requires every employer to insure against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code, and Contractor shall comply with such provisions before commencing the performance of the work or the provision of services pursuant to this agreement.

- C. Contractor shall obtain and maintain continuously a policy of Errors and Omissions coverage with limits of liability of not less than \$1 million per occurrence and \$3 million annual aggregate.
- D. Contractor shall require subcontractors to furnish satisfactory proof to County that liability and workers' compensation and other required types of insurance have been obtained and are maintained similar to that required of Contractor pursuant to this agreement.
- E. With regard to all insurance coverage required by this agreement:
 - (1) Any deductible or self-insured retention exceeding \$25,000 for Contractor or subcontractor shall be disclosed to and be subject to approval by the County Risk Manager prior to the effective date of this agreement.
 - (2) If any insurance coverage required hereunder is provided on a "claims made" rather than "occurrence" form, Contractor or subcontractor shall maintain such insurance coverage with an effective date earlier or equal to the effective date of this agreement and continue coverage for a period of three years after the expiration of this agreement and any extensions thereof. In lieu of maintaining post-agreement expiration coverage as specified above, Contractor or subcontractor may satisfy this provision by purchasing tail coverage for the claims-made policy. Such tail coverage shall, at a minimum, provide the insurance coverage required hereunder for claims received and reported three years after the expiration date of this agreement.
 - (3) All insurance (except workers' compensation and professional liability) shall include an endorsement or an amendment to the policy of insurance which names *County, its elected officials, officers, employees, agents, and volunteers as additional insureds*. In the event that coverage is reduced or canceled, a notice of said reduction or cancellation shall be provided to County within 24 hours. Any available insurance proceeds in excess of the specified minimum limits and coverage pursuant to the terms of this agreement shall be applicable to the Additional Insured. The additional insureds coverage shall be equal to Insurance Service Office endorsement CG 20 10 for on-going operations, and CG 20 37 for completed operations.
 - (4) Each insurance policy (except for workers' compensation and professional liability policies), or an endorsement thereto, shall contain a "separation of insureds" clause which shall read:

"Separation of Insureds.

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each suit insured against whom a claim is made or suit is brought."

- (5) Contractor shall provide County with an endorsement or amendment to Contractor's policy of insurance as evidence of insurance protection before the effective date of this agreement.
- (6) The insurance coverage required herein shall be in effect at all times during the term of this agreement. In the event any insurance coverage expires at any time during the term of this agreement, Contractor shall provide, at least 20 days prior to said expiration date, a new endorsement or policy amendment evidencing insurance coverage as provided for herein for not less than the remainder of the term of this agreement or for a period of not less than one year. In the event Contractor fails to keep in effect at all times insurance coverage as herein provided and a renewal endorsement or policy amendment is not provided within 10 days of the expiration of the endorsement or policy amendment in effect at inception of this agreement, County may, in addition to any other remedies it may have, terminate this agreement upon the occurrence of such event.
- (7) If the endorsement or amendment does not reflect the limits of liability provided by the policy of insurance, Contractor shall provide County a certificate of insurance reflecting those limits.
- (8) Any of Contractor's Excess Insurance shall contain a provision that such coverage shall also apply for the benefit of the County where an obligation to defend arises under the terms and conditions of this Agreement.

Section 13. NOTICE OF CLAIM; APPLICABLE LAW; VENUE.

- A. If any claim for damages is filed with Contractor or if any lawsuit is instituted concerning Contractor's performance under this agreement and that in any way, directly or indirectly, contingently or otherwise, affects or might reasonably affect County, Contractor shall give prompt and timely notice thereof to County. Notice shall be prompt and timely if given within 30 days following the date of receipt of a claim or 10 days following the date of service of process of a lawsuit. This provision shall survive the termination, expiration, or cancellation of this agreement.
- B. Any dispute between the Parties, and the interpretation of this agreement, shall be governed by the laws of the State of California. Any litigation shall be venued in Shasta County.

Section 14. COMPLIANCE WITH LAWS; NON-DISCRIMINATION.

- A. Contractor shall observe and comply with all applicable federal, state, and local laws, ordinances, and codes that relate to the work or services to be provided pursuant to this agreement.
- B. Contractor shall not discriminate in employment practices or in the delivery of services on the basis of race, color, creed, religion, national origin, sex, age, marital status, sexual orientation, medical condition (including cancer, HIV, and AIDS) physical or mental disability, use of family care leave under either the Family & Medical Leave Act or the California Family Rights Act, or on the basis of any other status or conduct protected by law.

- C. Contractor represents that Contractor is in compliance with and agrees that Contractor shall continue to comply with the Americans with Disabilities Act of 1990 (42 U.S.C. sections 12101, *et seq.*), the Fair Employment and Housing Act (Government Code sections 12900, *et seq.*), and regulations and guidelines issued pursuant thereto.
- D. No funds or compensation received by Contractor under this agreement shall be used by Contractor for sectarian worship, instruction, or proselytization. No funds or compensation received by Contractor under this agreement shall be used to provide direct, immediate, or substantial support to any religious activity.

Section 15. COMPLIANCE WITH CHILD, FAMILY, AND SPOUSAL SUPPORT REPORTING OBLIGATIONS.

Contractor's failure to comply with state and federal child, family, and spousal support reporting requirements regarding Contractor's employees or failure to implement lawfully served wage and earnings assignment orders or notices of assignment relating to child, family, and spousal support obligations shall constitute a default under this agreement. Contractor's failure to cure such default within 90 days of notice by County shall be grounds for termination of this agreement.

Section 16. LICENSES AND PERMITS.

- A. Contractor, and Contractor's officers, employees, and agents performing the work or services required by this agreement, shall possess and maintain all necessary licenses, permits, certificates, and credentials required by the laws of the United States, the State of California, the County of Shasta, and all other appropriate governmental agencies, including any certification and credentials required by County. Failure to maintain the licenses, permits, certificates, and credentials shall be deemed a breach of this agreement and constitutes grounds for the termination of this agreement by County.
- B. With respect to Contractor's Sites, Contractor shall comply with all applicable County, state and federal licensing requirements and shall obtain all applicable licenses and display the same in a location on Contractor's Sites that is reasonably conspicuous. Failure to maintain the licensing requirements shall be deemed a breach of this agreement and may be, at County's sole discretion, grounds for the termination of this agreement pursuant to Section 7.A. of this agreement.
- C. Contractor shall immediately advise County of any investigation or adverse action taken against it, or its principals, partners, officers, employees, subcontractors, and agent providing services pursuant to this agreement by state or federal agencies and/or professional licensing organizations.

Section 17. PERFORMANCE STANDARDS.

Contractor shall perform the work or services required by this agreement in accordance with the industry and/or professional standards applicable to Contractor's work or services.

Section 18. CONFLICTS OF INTEREST.

Contractor and Contractor's officers and employees and subcontractors shall not have a financial interest, or acquire any financial interest, direct or indirect, in any business,

property, or source of income that could be financially affected by or otherwise conflict in any manner or degree with the performance of the work or services required under this agreement.

Section 19. NOTICES.

- A. Except as provided in section 7.C. of this agreement (oral notice of termination due to insufficient funding), any notices required or permitted pursuant to the terms and provisions of this agreement shall be given to the appropriate Party at the address specified below or at such other address as the Party shall specify in writing. Such notice shall be deemed given: (1) upon personal delivery; or (2) if sent by First Class mail, postage prepaid, two days after the date of mailing.

If to County: Director of Business and Support Services
ATTN: Contracts Unit
P.O. Box 496005
Redding, CA 96049-6860
Tel: (530) 245-6860
Fax: (530) 225-5555

If to Contractor: Administrator
North Valley Behavioral Health, LLC
1535 Plumas Court, Suite A
Yuba City, CA 95991
Tel: (530) 790-2520
Fax: (530) 790-0212

- B. Any oral notice authorized by this agreement shall be given to the persons specified in Section 19.A. and shall be deemed to be effective immediately.
- C. Unless otherwise stated in this agreement, any written or oral notices on behalf of the County as provided for in this agreement may be executed and/or exercised by the County Executive Officer.

Section 20. AGREEMENT PREPARATION.

It is agreed and understood by the Parties that this agreement has been arrived at through negotiation and that neither Party is to be deemed the Party which created any uncertainty in this agreement within the meaning of section 1654 of the Civil Code.

Section 21. COMPLIANCE WITH POLITICAL REFORM ACT.

Contractor shall comply with the California Political Reform Act (Government Code, sections 81000, *et seq.*), with all regulations adopted by the Fair Political Practices Commission pursuant thereto, and with the County's Conflict of Interest Code, with regard to any obligation on the part of Contractor to disclose financial interests and to recuse from influencing any County decision which may affect Contractor's financial interests. If required by the County's Conflict of Interest Code, Contractor shall comply with the ethics training requirements of Government Code sections 53234, *et seq.*

Section 22. PROPERTY TAXES.

Contractor represents and warrants that Contractor, on the date of execution of this agreement, (1) has paid all property taxes for which Contractor is obligated to pay, or (2) is current in payments due under any approved property tax payment arrangement. Contractor shall make timely payment of all property taxes at all times during the term of this agreement.

Section 23. SEVERABILITY.

If any portion of this agreement or application thereof to any person or circumstance is declared invalid by a court of competent jurisdiction or if it is found in contravention of any federal or state statute or regulation or County ordinance, the remaining provisions of this agreement, or the application thereof, shall not be invalidated thereby and shall remain in full force and effect to the extent that the provisions of this agreement are severable.

Section 24. CONFIDENTIALITY.

During the term of this agreement, both Parties may have access to information that is confidential or proprietary in nature. Both Parties agree to preserve the confidentiality of and to not disclose any such information to any third party without the express written consent of the other Party or as required by law. This provision shall survive the termination, expiration, or cancellation of this agreement.

Section 25. CONFIDENTIALITY OF CLIENT/PATIENT INFORMATION.

- A. All information and records obtained in the course of providing services under this agreement shall be confidential, and Contractor and all of Contractor's Providers, employees, subcontractors, volunteers, agents, and officers shall comply with state and federal requirements regarding confidentiality of patient information (including, but not limited to, sections 827, 5328, 10850, and 14100.2 of the WIC; Civil Code section 56.10; the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and the regulations adopted pursuant thereto; Title 42, CFR, Part 2; and Title 45, CFR, section 205.50). All applicable regulations and statutes relating to patients' and Client's rights shall be adhered to. This provision shall survive the termination, expiration, or cancellation of this agreement.
- B. Notwithstanding any other provision of this agreement, names of Clients receiving public social services hereunder are confidential and are to be protected from unauthorized disclosure in accordance with Chapter IV of Subchapter C of Part 431 of Subpart F of Title 42, of the CFR (commencing at section 431.300) and section 14100.2 of the WIC and regulations adopted there under. For the purpose of this agreement, all information, records, date, and data elements collected and maintained under this agreement and pertaining to Clients shall be protected by Contractor from unauthorized disclosure. This provision shall survive the termination, expiration, or cancellation of this agreement.

Section 26. FINANCIAL REPORTING.

Upon receipt of written notice of the County, Contractor shall provide such accounting information and/or records that reflect Contractor's financial feasibility, as determined by County, to honor the terms of the Agreement.

Section 27. FEDERAL HEALTHCARE COMPLIANCE PROGRAM.

- A. In entering into this agreement, Contractor acknowledges County's Compliance Program and has received, read and understands the **Shasta County MHP Contractor Code of Conduct ("Code of Conduct")**, attached and incorporated herein as **EXHIBIT E**, and agrees to comply and to require its employees and subcontractors who are considered "Covered Individuals" without limitation, to comply with all provisions of the Code of Conduct. Should the aforementioned Code of Conduct be amended during the term of this agreement Contractor shall comply with the Code of Conduct as amended and as provided to Contractor by County. "Covered Individuals" are defined as employees or subcontractors of the Contractor with responsibilities pertaining to the ordering, provision, documentation, coding, or billing of services payable by a Federal Healthcare program for which County seeks reimbursement from the Federal Healthcare programs.
- B. Contractor agrees to annually provide copies of the Code of Conduct to all Covered Individuals who are its employees and to obtain (subject to review by County and/or Office of Inspector General [OIG]) signed certifications from each individual certifying that they have received, read, understand, and agree to abide by the requirements of the Code of Conduct. Contractor shall retain the signed certifications on file and provide to County's Compliance Officer or his or her designee immediately when requested by County, either orally or in writing.
- C. Contractor agrees that all of its employees who are Covered Individuals, both current and all newly-hired, will be required to attend annually the complete compliance training program provided by County, or attend Contractor's compliance training program with prior approval of County's Compliance Officer or his or her designee, as required by the County's Program for Compliance with Federal Healthcare Programs.
- D. Contractor shall not hire or enter into an agreement with any provider who is, or at any time has been, excluded from participation in any federally funded healthcare program, including, without limitation, Medi-Cal, Medicaid, or Medicare.
- E. Contractor attests that Contractor and all Contractor's employees and subcontractors are not excluded from Medi-Cal, Medicaid, and Medicare provider participation.
- F. Consistent with the requirements of 42 CFR, Part 455.436 Contractor must confirm the identity and determine the exclusion status of all providers including but not limited to employees, network providers, subcontractors, any person with ownership or control interest, and agents or managing employees. Contractor shall verify prior to hire and monthly to ensure all providers are not excluded from Medi-Cal, Medicaid and Medicare participation. Contractor shall maintain

documentation of monthly verification on file and provide such documentation to County by the 10th of the following month, electronically in .pdf format, or another electronic format preapproved by County, to ASContracts@co.shasta.ca.us and mceur@co.shasta.ca.us. Verification checking, at a minimum, shall include Contractor's use of the following three websites:

- (1) Officer of Inspector General

http://oig.hhs.gov/exclusions/exclusions_list.asp

- (2) Medi-Cal Suspended and Ineligible List

<https://files.medi-cal.ca.gov/pubsdoco/SandILanding.asp>

- (3) System for Award Management

<https://www.sam.gov/portal/SAM/#1>

Section 28. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY Act.

The Parties acknowledge the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations ("HIPAA"). Contractor understands and agrees that, as a provider of medical treatment services, it is a "covered entity" under HIPAA and, as such, has obligations with respect to the confidentiality, privacy, and security of Clients' medical information, and must take certain steps to preserve the confidentiality of this information, both internally and externally, including the training of staff and the establishment of proper procedures for the release of such information. The Parties acknowledge their separate and independent obligations with respect to HIPAA, and that such obligations relate to transactions and code sets, privacy, and security. Contractor understands and agrees that it is independently responsible for compliance with HIPAA and agrees to take all necessary actions to comply with the requirements of HIPAA related to transactions and code sets, privacy, and security. Contractor agrees that, should it fail to comply with its obligations under HIPAA, it shall indemnify and hold harmless County (including County's officers, employees, and agents), for damages that are attributable to such failure. The indemnification provided for in this section is in addition to, and does not in any way limit, the hold harmless, indemnification, and defense obligations of Contractor that are provided for in Section 11.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, County and Contractor have executed this agreement on the dates set forth below. By their signatures below, each signatory represents that he/she has the authority to execute this agreement and to bind the Party on whose behalf his/her execution is made.

COUNTY OF SHASTA

Date: _____

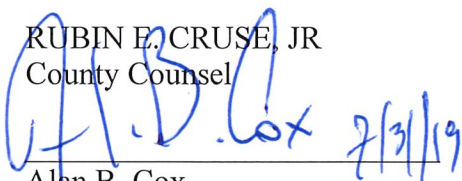
LEONARD MOTY, Chairman
Board of Supervisors
County of Shasta
State of California


ATTEST
LAWRENCE G. LEES
Clerk of the Board of Supervisors

By: _____
Deputy

Approved as to form:

RISK MANAGEMENT APPROVAL


RUBIN E. CRUSE, JR.
County Counsel
Alan B. Cox
Deputy County Counsel


James Johnson
Risk Management Analyst

CONTRACTOR

Date: 8/12/19

By: 
Arne Hyson, Administrator

Tax I.D. #: _____ On file

EXHIBIT A
RESPONSIBILITIES OF CONTRACTOR

Section 1. PROGRAM SERVICES.

In full consideration of the payments herein provided for, Contractor shall provide the services described below in a manner consistent with the terms and provisions of this agreement and its EXHIBITS and in accordance with the requirements of Title 9 of the California Code of Regulation ("CCR"):

- A. For Clients assessed as requiring psychiatric inpatient care, Contractor shall provide inpatient services, at ages allowed by licensure and certification by the California Department of Social Services, at Contractor's PHF, 24 hours a day and 7 days per week. County agrees to pay the all-inclusive "Fee-for-Service" daily rate as specified in **EXHIBIT C**, Section A of this agreement for each day of admission, **excluding** the day of discharge. County is eligible to receive Medi-Cal reimbursement from the State of California Department of Health Care Services ("DHCS") for these inpatient services for eligible Clients, and other reimbursement as available.
- B. County, or its contracted provider, will determine the appropriateness of placement based on clinical medical necessity pursuant to CCR, Title 9, section 1820.205.
- C. Client admissions shall be subject to all applicable federal and state statutes and regulations pertaining to screening procedures and standards, including, but not limited to, federal and state statutes and regulations governing psychiatric health facilities.
- D. **Eligibility.** Contractor shall admit Clients to the PHF who meet medical necessity for psychiatric inpatient services pursuant to CCR, Title 9, section 1820.205. It is agreed by County and Contractor that Clients that do not meet medical necessity pursuant to CCR, Title 9, section 1820.205 for psychiatric inpatient services, as well as individuals suffering exclusively from developmental disability, mental disability, alcohol or drug intoxication, or physical illnesses (without a psychiatric component), shall not be considered for admission to Contractor's PHF.
- E. The admission of all Clients receiving services under this agreement must receive the approval of the Shasta County Health and Human Services Agency Director ("Director"), or his or her designee.
- F. **Basic Service Level.** It is agreed by both Contractor and County that the basic service level (the minimum array of services provided to Clients at the PHF) fully complies with Title 22 of the CCR, section 72445. It is further agreed by Contractor that basic services will also include access to medical treatment and up-to-date psychopharmacology, transportation to needed off-site services, and bilingual/bicultural programming.
- G. **Evaluation for Involuntary Detention.** Services shall include, but are not limited to 72-hour detention under WIC section 5150, 14-day Certification under WIC section 5250, and acute psychiatric inpatient care for voluntary Clients who would otherwise be referred by County. In order to assure the prompt evaluation and treatment of persons with suspected mental disorders resulting in a danger to self or others or grave

disability and to comply with WIC section 5150.05, County staff or qualified County contractors who have been designated by County's Board of Supervisors will also be designated by the professional in charge of the PHF to determine the appropriateness of involuntary detention. If, in the judgment of the designated County staff member, the person can be properly served without being detained, he/she will be provided evaluation, crisis intervention, or other services on a voluntary basis

- H. **Discharge Planning and Post-Acute Placement.** Contractor shall coordinate with County to facilitate quality discharge plans for each Shasta County Client placed at Contractor's PHF. Contractor shall keep County Liaison and Transition, Admission and Discharge Team ("TAD Team"), fully informed of all discharges to include but not be limited to; standard discharges, 5150 holds, Reese Hearings, and writs of Habeas Corpus. Contractor shall inform County in advance of all discharge times and dates as Contractor becomes aware and shall update County should these times and/or dates change. Contractor shall fully participate in pre-discharge program planning as soon as reasonably practical. Contractor shall fax discharge medication list and discharge instructions (to include address and phone number of where Client is discharging to, follow-up appointment date and time, provider and phone number, list of all discharge medications) to the TAD Team at their confidential FAX number: (530) 225-5229. In addition, Contractor shall make contact with TAD Team representative at (530) 225-5204 or (530) 225-5985, prior to driver dispatch from County to pick up Shasta County Client for discharge transport.

Section 2. GOALS.

The goals of Client treatment under this agreement are to:

- A. Decrease risk of danger to self or others and improve capacity for self-care.
- B. Modify dysfunctional maladaptive behavioral patterns, provide medication supports, and develop daily living skills which will enable them to live in a less restrictive, more independent setting.
- C. Minimize inappropriate or unnecessary state and local acute hospitalization to the extent clinically appropriate by providing quality 24-hour sub-acute care.

EXHIBIT B

**State of California
Department of Health Care Services**

CERTIFICATION REGARDING LOBBYING

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

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making, awarding or entering into of this Federal contract, Federal grant, or cooperative agreement, and the extension, continuation, renewal, amendment, or modification of this Federal contract, grant, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency of the United States Government, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure of Lobbying Activities" in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontractors, subgrants, and contracts under grants and cooperative agreements) of \$100,000 or more, and that all subrecipients shall certify and disclose accordingly.

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

North Valley Behavioral Health, LLC
Name of Contractor

Arne Hyson
Printed Name of Person Signing for Contractor

17-94616
Contract/Grant Number

Signature of Person Signing for Contractor

Date

Administrator
Title

**EXHIBIT B
PAYMENTS**

Payment shall be made to Contractor for the services provided under this agreement pursuant to the following conditions and terms:

- A. For the PHF services provided pursuant to **EXHIBIT A** County shall compensate Contractor, at the **all-inclusive** rate of \$895 per day per bed, excluding the day of discharge on a "Fee-for-Service" basis. Contractor shall provide County all documentation and records required to allow County to bill third party payer sources, including Medi-Cal, required for the purposes of Utilization Review Meetings, and as may be required for other purposes relevant to the provision of services under the terms of this agreement, within 90 days of the date of service.
- B. Contractor shall submit monthly to County, an invoice and supporting documentation identifying the Client name, Client date of birth, admission date, discharge date, and length of services. County shall retain Medi-Cal reimbursement.
- C. County shall pay Contractor pursuant to the terms of this agreement within 30 days following the submission of a correct and approved invoice and supporting documentation by Contractor
- D. For PHF Services, Contractor shall be liable for DHCS audit exceptions due to error or errors of omission or commission by Contractor and shall reimburse County for any recoupment ordered by the state within 60 days of the date of receipt of the state's or County's notice of recoupment order. If Contractor fails to reimburse County within the specified time period, County may offset the unpaid amount of the audit exception against any sums due from County to Contractor pursuant to this agreement or any other agreement or obligation between County and Contractor.
- E. County shall provide approval or disapproval of Contractor's determination of medical necessity for each Client admitted to Contractor's PHF in accordance with CCR, Title 9 section 1820.225. Should County's approval of medical necessity be invalidated by a DHCS audit, County shall be liable for the audit exception. Should Contractor's approval of medical necessity be invalidated by a DHCS audit, Contractor shall be liable for the audit exception.
- F. Contractor shall provide County with National Provider Identifiers ("NPI") numbers. Services provided without submission to County of NPI's by Contractor shall be the responsibility of Contractor and shall not be reimbursed by or compensated for by County.
- G. If a federal or state audit exception is created, during the course of the provision of services under this agreement, due to an error or errors of omission or commission on the part of County, then County shall be responsible for the audit exception.

**SHASTA COUNTY HEALTH AND HUMAN SERVICES AGENCY,
MENTAL HEALTH PLAN ("MHP")
CONTRACTOR CODE OF CONDUCT**

Shasta County Health and Human Services Agency ("HHSA"), maintains high ethical standards and is committed to complying with all applicable statutes, regulations, and guidelines. HHSA Contractors shall follow this Contractor Code of Conduct ("Code of Conduct") as applicable to services performed under the Managed Care Plan agreement between Shasta County and the State Department of Health Care Services and this Agreement between the County of Shasta and HHSA Contractor.

1. PURPOSE

The purpose of this HHSA Code of Conduct is to ensure that all HHSA Contractors providing services under the Shasta County Managed Care Plan (the agreement between Shasta County and State of California Department of Health Care Services to provide specialty mental health services to eligible Shasta County Medi-Cal beneficiaries) and this Agreement between the County of Shasta and Contractor, are committed to conducting their activities ethically and in compliance with all applicable state and federal statutes, regulations, and guidelines applicable to Federal Health Care programs. This Code of Conduct also serves to demonstrate HHSA's dedication to providing quality care to its clients, and to submitting accurate claims for reimbursement to all payers.

2. CODE OF CONDUCT - GENERAL STATEMENT

- A. This Code of Conduct is intended to provide HHSA Contractors with general guidelines, to enable them to conduct the business of HHSA in an ethical and legal manner;
- B. Every HHSA Contractor is expected to uphold this Code of Conduct;
- C. Failure to comply with this Contractor Code of Conduct, or failure to report reasonably suspected issues of non-compliance, may result in the HHSA Contractor's termination of contracted status. In addition, such conduct may place the Contractor, the individuals employed by Contractor, or HHSA, at substantial risk in terms of its relationship with various payers. In extreme cases, there is also the risk of action by a governmental entity up to and including an investigation, criminal prosecution, and/or exclusion from participation in the Federal Health Care Programs.

3. CODE OF CONDUCT

All HHSA Contractors and employees, volunteers, and interns of Contractor shall:

- A. Perform their duties in good faith and to the best of their ability;
- B. Comply with all statutes, regulations, and guidelines applicable to Federal Health Care programs, and with this Code of Conduct;

**Shasta County Health and Human Services
Code of Conduct - Contractor**

- C. Refrain from any illegal conduct. When a Contractor is uncertain of the meaning or application of a statute, regulation, or policy, or the legality of a certain practice or activity, Contractor shall inform the HHSA Compliance Officer or designee;
- D. Not obtain any improper personal benefit by virtue of their contractual relationship with HHSA;
- E. Notify the HHSA Compliance Officer or designee immediately upon the receipt, at any location, of any inquiry, subpoena, or other agency or government request for information regarding HHSA or the services provided under this agreement between HHSA and Contractor;
- F. Not destroy or alter HHSA information or documents in anticipation of, or in response to, a request for documents by any applicable government agency or from a court of competent jurisdiction;
- G. Not engage in any practice intended to unlawfully obtain favorable treatment or business from any entity, physician, client, resident, vendor, or any other person or entity in a position to provide such treatment or business;
- H. Not accept any gift of more than nominal value or any hospitality or entertainment, which because of its source or value, might influence the Contractor's independent judgment in transactions involving HHSA or the services provided under this agreement between HHSA and Contractor;
- I. Disclose to the HHSA Compliance Officer or designee any financial interest, official position, ownership interest, or any other financial or business relationship that they (or a member of their immediate family, or persons in their employ) has with HHSA's employees, vendors or contractors;
- J. Not participate in any false billing of HHSA, client, other government entities, or any other party;
- K. Not participate in preparation or submission of any false cost report or other type of report submitted to the HHSA or any other government entity;
- L. Not pay, or arrange for Contractor to pay, any person or entity for the referral of HHSA client to Contractor, and shall not accept any payment or arrange for any other entity to accept any payment for referrals from Contractor;
- M. Not use confidential HHSA information for their own personal benefit or for the benefit of any other person or entity, while under contract to HHSA, or at any time thereafter;
- N. Not disclose confidential medical information pertaining to HHSA's clients without the express written consent of the client or pursuant to court order and in accordance with all applicable laws;
- O. Promptly report to the HHSA Compliance Officer or designee any and all violations or reasonably suspected violations of this Code of Conduct;
- P. Promptly report to the HHSA Compliance Officer or designee any and all violations or reasonably suspected violations of any statute, regulation, or guideline applicable to Federal Health Care programs;

**Shasta County Health and Human Services
Code of Conduct - Contractor**

- Q. Know they have the right to use HHSA's Confidential Disclosure Line without fear of retaliation with respect to disclosures; and with HHSA's commitment to maintain confidentiality, as appropriate; and
- R. Not engage in or tolerate retaliation against anyone who reports suspected wrongdoing.

4. SHASTA COUNTY COMPLIANCE OFFICER

The Shasta County HHSA Compliance Officer may be contacted at:

Compliance Officer

Shasta County Health and Human Services Agency, Business & Support Services

1810 Market Street, Redding, CA 96001

P.O. Box 496005, Redding, CA 96049-6005

(530) 245-6750

24/7 Confidential Disclosure Line: (530) 229-8050 or 1-866-229-8050

Email: mhcompofcr@co.shasta.ca.us

CODE OF CONDUCT CERTIFICATION PAGE FOLLOWS



Shasta County Health & Human Services Agency (HHSA)

CODE OF CONDUCT - CONTRACTOR CERTIFICATION

I, _____, by signing this Certification
(Print First and Last Name)

acknowledge that:

1. I am an employee of North Valley Behavioral Health, LLC, a contractor of the County of Shasta, through its Health and Human Services Agency;
2. I have received a copy of the Code of Conduct;
3. I have read and understand the Code of Conduct; and
4. I agree to comply with the Code of Conduct.

Signed _____ Date _____

Contractor shall maintain all current signed Code of Conduct – Contractor Certification forms on file and retain forms for a period of seven years after employee no longer works for Contractor, and provide to HHSA upon request, or submit depending upon agreement terms, this signed certification to HHSA Compliance Program staff at 1810 Market Street, Redding, CA 96001, or to P.O. Box 496005, Redding, CA 96049-6005.

Thank you.

REPORT TO SHASTA COUNTY BOARD OF SUPERVISORS

BOARD MEETING DATE: September 10, 2019

CATEGORY: Consent - Health and Human Services-10.

SUBJECT:

Renewal Agreements with Mountain Valleys Health Center and Shingletown Medical Center

DEPARTMENT: Health and Human Services Agency-Adult Services

Supervisory District No. : ALL

DEPARTMENT CONTACT: Dean True, Branch Director, HHSA Adult Services (530) 225-5900

STAFF REPORT APPROVED BY: Donnell Ewert, Director, Health and Human Services Agency

Vote Required?	General Fund Impact?
Simple Majority Vote	No General Fund Impact

RECOMMENDATION

Approve and authorize the Chairman to sign retroactive renewal agreements with two Federally Qualified Health Centers located in Shasta County to provide outpatient mental health services for the period July 1, 2019 through June 30, 2022: (1) Mountain Valleys Health Centers in an amount not to exceed \$270,608.30; and (2) Shingletown Medical Center in an amount not to exceed \$318,362.70.

SUMMARY

The proposed renewal agreements with Mountain Valleys Health Center (Mountain Valleys) and Shingletown Medical Center (SMC) will continue the provision of mental health services within primary care environments for lower income Shasta County residents.

DISCUSSION

A significant component of Shasta County's adopted Mental Health Services Act (MHSA) plan is for a Rural Health Initiative, intended to provide access to mental health care while integrating it with primary care in rural areas of the county. Mountain Valleys and SMC are Federally Qualified Health Centers (FQHC). Mountain Valleys operates six different clinic sites, three of which are in Shasta County (two in Burney and one in Fall River Mills) and SMC operates one clinic site in Shingletown. These agreements will specifically allow Mountain Valleys and SMC to continue to provide additional outpatient mental health services to Shasta County residents. These proposed renewal agreements continue expanded access to mental health services throughout Shasta County and serve to promote integrated primary and behavioral health care services. As part of the Mental Health Assessment and Redesign Collaborative (MHARC) process conducted in our community, integration of primary care with mental health services through our local network of FQHC clinics emerged as a goal. In addition to the mental health responsibility held by the County, FQHC clinics have a federal mandate to support the full range of client needs, including mental health care. Their independent authority to bill for federal and state reimbursement available through Medi-Cal serves to further enhance capacity in the mental health service delivery system with limited County financial support.

The target population to be served includes Shasta County adults with mild to moderate mental illness or those at risk of

serious mental illness, and emotionally disturbed youth, including those who are not covered through any other funding or payer source, and those not currently engaged in services. The mental health services provided by the FQHCs under these agreements will be provided in a coordinated fashion to ensure the full spectrum of treatment is available to those in need, including access to County’s crisis residential services, acute hospitalization, wellness center services in Burney (Circle of Friends) or Redding (Olberg Center), and referral to other services when needed.

For the last three quarters of Fiscal Year (FY) 2018-19 there was an average of 475 mental health related visits for Mountain Valleys with an average of 56 unique clients per month receiving services. For SMC there were an average of 214 mental health related visits with an average of 38 unique clients per month receiving services. Both agreements also authorize the HHSA Director and any HHSA Branch Director designated by the HHSA Director to approve budget line item shifts not to exceed 15 percent in any budget category and to sign minor amendments, including retroactive, as long as the intent of the agreement and the maximum compensation are not changed. The retroactivity of these agreements is due to ongoing negotiations between HHSA, Mountain Valleys, and SMC.

ALTERNATIVES

The Board could choose not to approve the recommendation, defer consideration to a future date, or provide alternate direction to staff.

OTHER AGENCY INVOLVEMENT

County Counsel has approved the agreements as to form. Risk Management has approved the agreements. The Recommendation has been reviewed by the County Administrative Office.

FINANCING

These contract expenditures are included in the MHSA (BU 404) FY 2019-20 Adopted Budget. The agreements are funded entirely through allocated MHSA funds, and serve to leverage a minimum of \$977,496 in Medi-Cal and other revenue sources per fiscal year through the FQHCs for mental health care for County residents. There is no General Fund impact associated with this Recommendation.

ATTACHMENTS:

Description	Upload Date	Description
Shingletown Agreement	8/30/2019	Shingletown Agreement
Mountain Valleys Health Centers Agreement	9/3/2019	Mountain Valleys Health Centers Agreement

PERSONAL SERVICES AGREEMENT BETWEEN THE COUNTY OF SHASTA AND SHINGLETOWN MEDICAL CENTER

This agreement is entered into between the County of Shasta, a political subdivision of the State of California, through its Health and Human Services Agency ("County"), and Shingletown Medical Center, a California not-for-profit corporation ("Contractor"), (collectively, the "Parties" and individually a "Party"), for the provision of outpatient mental health services.

Section 1. DEFINITIONS.

For the purposes of this agreement, the following definitions shall apply:

- A. **Case Management:** The coordination of community services for mental health patients by allocating a professional to be responsible for the assessment of need and implementation of care plans.
- B. **Serious Emotional Disturbance ("SED"):** Children up to age 18 who currently or at any time during the past year have had a diagnosable mental, behavioral, or emotional disorder of sufficient duration to meet diagnostic criteria specified within the Diagnostic and Statistical Manual of Mental Disorders which result in functional impairment and which substantially interferes with or limits the child's role or functioning in family, school, or community activities.
- C. **Shingletown Medical Center:** A Federally Qualified Health Center ("FQHC") as defined in 42 United States Code ("U.S.C.") §1396d(l)(2)(B)(i) or (ii), and provides physical and mental health services to the "medically underserved population" (as defined in 42 U.S.C. §254b(b)(3)(A)) of County of Shasta.
- D. **Seriously Mentally Ill ("SMI"):** Persons 18 years and older who, at any time during a given year, had a diagnosable mental, behavioral, or emotional disorder that met the criteria of the Diagnostic and Statistical Manual of Mental Disorders which has resulted in functional impairment which substantially interferes with or limits one or more major life activities.

Section 2. RESPONSIBILITIES OF CONTRACTOR.

Pursuant to the terms and conditions of this agreement, Contractor shall:

- A. Provide services to Shasta County residents who are at-risk of serious mental illness ("Clients") and who seek mental health services at Contractor's facilities located in Shasta County.
- B. Provide outpatient mental health services, including screening, assessment, medication management, diagnosis, and treatment to Clients.
- C. Provide integrated mental health and physical health treatment to Clients suffering from mental illness.
- D. Provide treatment to Clients with the co-occurring disorders of substance abuse and mental illness.

- E. Accept referrals of Clients in need of psychiatric services from County.
- F. Develop a referral directory of providers of substance abuse treatment, employment assistance, emergency housing, recovery support services, education, and other support services that would benefit program Clients.
- G. Provide a representative to meet with County staff on a quarterly basis or as needed for the purpose of insuring coordination of mental health treatment and program planning.
- H. Provide case management services including, but not limited to: assisting Clients in completing supplemental security income ("SSI"), Medi-Cal, and Medicare applications.
- I. Participate in trainings as provided and directed by County. These may include but are not limited to, reducing stigma related to mental illness; screening and identification of individuals with signs and symptoms of mental illness, including at risk children and youth; and integration of mental health primary care services.
- J. Acknowledge the funding source of all activities undertaken pursuant to this agreement by including in any educational and training materials, audio visual aids, websites, interviews with the press, flyers, or publications the following statement: "This activity (or program) has been funded by the County of Shasta through the California Mental Health Services Act."
- K. As required by Government Code section 7550, each document or report prepared by Contractor for or under the direction of County pursuant to this agreement shall contain the numbers and dollar amount of the agreement and all subcontracts under the agreement relating to the preparation of the document or written report. If multiple documents or written reports are the subject of the agreement or subcontracts, the disclosure section may also contain a statement indicating that the total agreement amount represents compensation for multiple documents or written reports. Contractor shall label the bottom of the last page of the document or report as follows: department name, agreement number, and dollar amount. If more than one document or report is produced under this agreement, Contractor shall add: "This [document or report] is one of [number] produced under this agreement."

Section 3. RESPONSIBILITIES OF COUNTY.

Pursuant to the terms and conditions of this agreement, County shall:

- A. Compensate Contractor as prescribed in sections 4 and 5 of this agreement and monitor the outcomes achieved by Contractor.
- B. Provide protocols for linkage by Contractor to County for Clients, including protocols for consultation and sharing Client data when appropriate and authorized.

- C. Monitor and evaluate the performance of Contractor throughout the term of this agreement to assure compliance with the terms and conditions of this agreement.

Section 4. COMPENSATION.

- A. In accordance with the budget as prescribed in **EXHIBIT A** ("Budget"), attached and incorporated herein, County shall pay to Contractor a maximum of \$103,000.00 for Fiscal Year (FY) 2019/20, \$106,090.00 for FY 2020/21, and \$109,272.70 for FY 2021/22 for all reasonable and necessary costs in accordance with applicable Circulars of the Office of Management and Budget ("OMB") of the Executive Office of the President of the United States, for satisfactorily providing services pursuant to this agreement.
- B. In no event shall the maximum amount payable under this agreement exceed \$318,362.70 during the term of the agreement.
- C. During the term of this agreement, the HHSA Director, or any HHSA Branch Director designated by the HHSA Director, may approve, in writing and in advance, budget line item shifts, provided that the line item shift does not exceed 15 percent of any Budget Category during the entire term of this agreement and provided further that the line item shift shall not increase the total compensation payable under this agreement.
- D. Overhead/Administrative expenses shall be calculated at an amount not to exceed 15 percent of salaries.
- E. Contractor's violation or breach of agreement terms may result in fiscal penalties, withholding of compensation, or termination of agreement.
- F. Contractor shall be paid via electronic invoice payment; automated clearing house (ACH), County credit card, or Commerce Bank virtual card. ACH payments require submission of the completed Auditor-Controller ACH/Direct Deposit authorization form with first claim for payment.

Section 5. BILLING AND PAYMENT.

- A. Contractor shall submit to County's Health and Human Services Agency ("HHSA") Business and Support Services Branch, Attn: Accounts Payable, P.O. Box 496005, Redding, CA 96049-6005 monthly by the 15th day of each month for services rendered the preceding month, and in accordance with the Budget, a billhead or invoice regularly used in the conduct of Contractor's business for services rendered and costs incurred, accompanied by an EXPENDITURE REPORT, **EXHIBIT B**, attached and incorporated herein, accompanied by supporting documentation and verification, including receipts and personnel timecards or time studies, for all expenses incurred. Administrative/overheard costs shall be billed at an amount not to exceed 15 percent of salaries and shall not require supporting documentation. Notwithstanding the foregoing, Contractor shall submit for the final month of this agreement (i.e., June of 2022) no later than July 15, 2022, an invoice for services rendered County and costs incurred. County shall pay Contractor within 30 days of receipt of a complete, correct, and approved invoice for services rendered and costs incurred.

- B. Contractor shall have the sole responsibility for billing and collection, in accordance with all applicable laws, from third party payers for the rendering of professional services delivered by Contractor.
- C. Compensation under this agreement shall be reduced by applicable contractor revenues. The term “applicable contractor revenues” refers to those receipts or reductions in expenditures or costs which operate to offset or reduce expense or cost items that are allocable to Contractor’s compensation under this agreement (such as but not limited to: purchase discounts, rebates or allowances, insurance refunds and adjustments or overpayment, or other erroneous charges) to the extent that applicable contractor revenues, accruing or received by Contractor relate to allowable costs, they shall be credited to County either as a reduction, or a cash refund, as appropriate.
- D. Should County, or the state or federal government, disallow any amount claimed by Contractor, Contractor shall reimburse County, or the state or federal government, as directed by County, or the state or federal government, for such disallowed cost.

Section 6. TERM OF AGREEMENT.

The initial term of this agreement shall commence July 1, 2019 and shall end June 30, 2022. Notwithstanding the foregoing, County shall not be obligated for payments hereunder for any future County fiscal year unless or until County’s Board of Supervisors appropriates funds for this agreement in County’s budget for that County fiscal year. In the event that funds are not appropriated for this agreement, then this agreement shall end as of June 30 of the last County fiscal year for which funds for this agreement were appropriated. For the purposes of this agreement, the County fiscal year commences on July 1 and ends on June 30 of the following year. County shall notify Contractor in writing of such non-appropriation at the earliest possible date.

Section 7. REPORTING REQUIREMENTS

- A. Timely submission of reports is required. Reports not received within 90 days from the date they are due to County may result in County withholding future payments to Contractor. The reports to be provided to County by Contractor are as follows:
 - (1) Quarterly Progress Report – A **EXHIBIT C** (“Quarterly Progress Report”), attached and incorporated herein, shall be submitted to County within 30 days of the end of each calendar quarter. For purposes of this agreement, the end of each calendar quarter shall be March, June, September and December. Supporting documentation of Quarterly Progress Report data shall be available to County as requested.
 - (2) Budget Expenditure Report – A Budget Expenditure Report shall be submitted to County 30 days after the end of each calendar quarter during the term of this agreement, reflecting expenditures on the budgeted items, as well as any budget problems arising during the reporting period.

Section 8. TERMINATION OF AGREEMENT.

- A. If Contractor materially fails to perform Contractor's responsibilities under this agreement to the satisfaction of County, or if Contractor fails to fulfill in a timely and professional manner Contractor's responsibilities under this agreement, or if Contractor violates any of the terms or provisions of this agreement, then County shall have the right to terminate this agreement for cause effective immediately upon the County giving written notice thereof to Contractor. If termination for cause is given by County to Contractor and it is later determined that Contractor was not in default or the default was excusable, then the notice of termination shall be deemed to have been given without cause pursuant to paragraph B of this section.
- B. County may terminate this agreement without cause on 60 days written notice to Contractor.
- C. County may terminate this agreement immediately upon oral notice should funding cease or be materially decreased during the term of this agreement.
- D. County's right to terminate this agreement may be exercised by the County Executive Officer, the Shasta County HHSA Director ("Director") or any HHSA Branch Director designated by the Director.
- E. Should this agreement be terminated, Contractor shall promptly provide to County any and all finished and unfinished reports, data, studies, photographs, charts, and other documents prepared by Contractor pursuant to this agreement.
- F. If this agreement is terminated, Contractor shall only be paid for services satisfactorily completed and provided prior to the effective date of termination.

Section 9. ENTIRE AGREEMENT; AMENDMENTS; HEADINGS; EXHIBITS/APPENDICES.

- A. This agreement supersedes all previous agreements relating to the subject of this agreement and constitutes the entire understanding of the Parties hereto. Contractor shall be entitled to no other benefits other than those specified herein. Contractor specifically acknowledges that in entering into and executing this agreement, Contractor relies solely upon the provisions contained in this agreement and no others.
- B. No changes, amendments, or alterations to this agreement shall be effective unless in writing and signed by both Parties. Notwithstanding the foregoing, line item shifts may be approved in writing as set forth in section 4.C of this agreement. However, minor amendments, including retroactive, that do not result in a substantial or functional change to the original intent of this agreement and do not cause an increase to the maximum amount payable under this agreement may be agreed to in writing between Contractor and the HHSA Director, or any HHSA Branch Director designated by the HHSA Director, provided that the amendment is in substantially the same format as the County's standard format amendment contained in the Shasta County Contracts Manual (Administrative Policy 6-101).
- C. The headings that appear in this agreement are for reference purposes only and shall not affect the meaning or construction of this agreement.

- D. If any ambiguity, inconsistency, or conflict exists or arises between the provisions of this agreement and the provisions of any of this agreement's exhibits or appendices, the provisions of this agreement shall govern.

Section 10. NONASSIGNMENT OF AGREEMENT; NON-WAIVER.

Inasmuch as this agreement is intended to secure the specialized services of Contractor, Contractor may not assign, transfer, delegate, or sublet any interest herein without the prior written consent of County. The waiver by County of any breach of any requirement of this agreement shall not be deemed to be a waiver of any other breach.

Section 11. EMPLOYMENT STATUS OF CONTRACTOR.

Contractor shall, during the entire term of this agreement, be construed to be an independent contractor, and nothing in this agreement is intended nor shall be construed to create an employer-employee relationship, a joint venture relationship, or to allow County to exercise discretion or control over the professional manner in which Contractor performs the work or services that are the subject matter of this agreement; provided, however, that the work or services to be provided by Contractor shall be provided in a manner consistent with the professional standards applicable to such work or services. The sole interest of County is to ensure that the work or services shall be rendered and performed in a competent, efficient, and satisfactory manner. Contractor shall be fully responsible for payment of all taxes due to the State of California or the federal government that would be withheld from compensation if Contractor were a County employee. County shall not be liable for deductions for any amount for any purpose from Contractor's compensation. Contractor shall not be eligible for coverage under County's workers' compensation insurance plan nor shall Contractor be eligible for any other County benefit. Contractor must issue W-2 and 941 Forms for income and employment tax purposes, for all of Contractor's assigned personnel under the terms and conditions of this agreement.

Section 12. INDEMNIFICATION.

To the fullest extent permitted by law, Contractor shall indemnify and hold harmless County, its elected officials, officers, employees, agents, and volunteers against all claims, suits, actions, costs, expenses (including, but not limited to, reasonable attorney's fees of County Counsel and counsel retained by County, expert fees, litigation costs, and investigation costs), damages, judgments, or decrees arising from the work or the provision of services undertaken pursuant to this agreement by Contractor, or by any of Contractor's subcontractors, any person employed under Contractor, or under any subcontractor, or in any capacity, except when the injury or loss is caused by the sole negligence or intentional wrongdoing of County. Contractor shall also, at Contractor's own expense, defend the County, its elected officials, officers, employees, agents, and volunteers, against any claim, suit, action, or proceeding brought against County, its elected officials, officers, employees, agents, and volunteers, arising from the work or the provision of services undertaken pursuant to this agreement by Contractor, or any of Contractor's subcontractors, any person employed under Contractor, or under any Subcontractor, or in any capacity. Contractor shall also defend and indemnify County for any adverse determination made by the Internal Revenue Service or the State Franchise Tax Board and/or any other taxing or regulatory

agency and shall defend, indemnify, and hold harmless County with respect to Contractor's "independent contractor" status that would establish a liability on County for failure to make social security deductions or contributions or income tax withholding payments, or any other legally mandated payment. The provisions of this paragraph are intended to be interpreted as broadly as permitted by applicable law. This provision shall survive the termination, expiration, or cancellation of this agreement.

Section 13. INSURANCE COVERAGE.

- A. Without limiting Contractor's duties of defense and indemnification, Contractor and any subcontractor shall obtain, from an insurance carrier authorized to transact business in the State of California, and maintain continuously during the term of this agreement Commercial General Liability Insurance, including coverage for owned and non-owned automobiles, and other coverage necessary to protect County and the public with limits of liability of not less than \$1 million per occurrence; such insurance shall be primary as to any other insurance maintained by County.
- B. Contractor and any subcontractor shall obtain and maintain continuously required Workers' Compensation and Employer's Liability Insurance to cover Contractor, subcontractor, Contractor's partner(s), subcontractor's partner(s), Contractor's employees, and subcontractor's(s') employees with an insurance carrier authorized to transact business in the State of California covering the full liability for compensation for injury to those employed by Contractor or subcontractor. Each such policy shall be endorsed to state that the Workers' Compensation carrier waives its right of subrogation against *County, its elected officials, officers, employees, agents, and volunteers* which might arise in connection with this agreement. Contractor hereby certifies that Contractor is aware of the provisions of section 3700 of the Labor Code, which requires every employer to insure against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code, and Contractor shall comply with such provisions before commencing the performance of the work or the provision of services pursuant to this agreement.
- C. Contractor shall obtain and maintain continuously a policy of Errors and Omissions coverage with limits of liability of not less than \$1 million per occurrence.
- D. Contractor shall require subcontractors to furnish satisfactory proof to County that liability and workers' compensation and other required types of insurance have been obtained and are maintained similar to that required of Contractor pursuant to this agreement.
- E. With regard to all insurance coverage required by this agreement:
 - (1) Any deductible or self-insured retention exceeding \$25,000 for Contractor or subcontractor shall be disclosed to and be subject to approval by the County Risk Manager prior to the effective date of this agreement.
 - (2) If any insurance coverage required hereunder is provided on a "claims made" rather than "occurrence" form, Contractor or subcontractor shall maintain such insurance coverage with an effective date earlier or equal to the effective date of this agreement and continue coverage for a period of three years after the expiration of this agreement and any extensions thereof. In lieu of maintaining

post-agreement expiration coverage as specified above, Contractor or subcontractor may satisfy this provision by purchasing tail coverage for the claims-made policy. Such tail coverage shall, at a minimum, provide the insurance coverage required hereunder for claims received and reported three years after the expiration date of this agreement.

- (3) All insurance (except workers' compensation and professional liability) shall include an endorsement or an amendment to the policy of insurance which names *County, its elected officials, officers, employees, agents, and volunteers as additional insureds*. In the event that coverage is reduced or canceled a notice of said reduction or cancellation shall be provided to County within 24 hours. Any available insurance proceeds in excess of the specified minimum limits and coverage pursuant to the terms of this agreement shall be applicable to the Additional Insured. The additional insureds coverage shall be equal to Insurance Service Office endorsement CG 20 10 for on-going operations, and CG 20 37 for completed operations.
- (4) Each insurance policy (except for workers' compensation and professional liability policies), or an endorsement thereto, shall contain a "separation of insureds" clause which shall read:

"Separation of Insureds.

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
 - b. Separately to each suit insured against whom a claim is made or suit is brought."
- (5) Contractor shall provide County with an endorsement or amendment to Contractor's policy of insurance as evidence of insurance protection before the effective date of this agreement.
 - (6) The insurance coverage required herein shall be in effect at all times during the term of this agreement. In the event any insurance coverage expires at any time during the term of this agreement, Contractor shall provide County, at least 20 days prior to said expiration date, a new endorsement or policy amendment evidencing insurance coverage as provided for herein for not less than the remainder of the term of this agreement or for a period of not less than one year. In the event Contractor fails to keep in effect at all times insurance coverage as herein provided and a renewal endorsement or policy amendment is not provided within 10 days of the expiration of the endorsement or policy amendment in effect at inception of this agreement, County may, in addition to any other remedies it may have, terminate this agreement upon the occurrence of such event.
 - (7) If the endorsement or amendment does not reflect the limits of liability provided by the policy of insurance, Contractor shall provide County a certificate of insurance reflecting those limits.

- (8) Any of Contractor's Excess Insurance shall contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of County.

Section 14. NOTICE OF CLAIM; APPLICABLE LAW; VENUE.

- A. If any claim for damages is filed with Contractor or if any lawsuit is instituted concerning Contractor's performance under this agreement and that in any way, directly or indirectly, contingently or otherwise, affects or might reasonably affect County, Contractor shall give prompt and timely notice thereof to County. Notice shall be prompt and timely if given within 30 days following the date of receipt of a claim or 10 days following the date of service of process of a lawsuit. This provision shall survive the termination, expiration, or cancellation of this agreement.
- B. Any dispute between the Parties, and the interpretation of this agreement, shall be governed by the laws of the State of California. Any litigation shall be venued in Shasta County.

Section 15. COMPLIANCE WITH LAWS; NON-DISCRIMINATION.

- A. Contractor shall observe and comply with all applicable present and future federal laws, state laws, local laws, codes, rules, regulations, and/or orders that relate to the work or services to be provided pursuant to this agreement.
- B. Contractor shall not discriminate in employment practices or in the delivery of services on the basis of race, color, creed, religion, national origin, sex, age, marital status, sexual orientation, medical condition (including cancer, HIV, and AIDS), physical or mental disability, use of family care leave under either the Family & Medical Leave Act or the California Family Rights Act, or on the basis of any other status or conduct protected by law.
- C. Contractor represents that Contractor is in compliance with and agrees that Contractor shall continue to comply with the Americans with Disabilities Act of 1990 (42 U.S.C. sections 12101, *et seq.*), the Fair Employment and Housing Act (Government Code sections 12900, *et seq.*), and regulations and guidelines issued pursuant thereto.
- D. No funds or compensation received by Contractor under this agreement shall be used by Contractor for sectarian worship, instruction, or proselytization. No funds or compensation received by Contractor under this agreement shall be used to provide direct, immediate, or substantial support to any religious activity.
- E. In addition to any other provisions of this agreement, Contractor shall be solely responsible for any and all damages caused, and/or penalties levied, as the result of Contractor noncompliance with the provisions of this section.

Section 16. ACCESS TO RECORDS; RECORDS RETENTION.

- A. County, federal, and state officials shall have access to any books, documents, papers, and records of Contractor that are directly pertinent to the subject matter of this agreement for the purpose of auditing or examining the activities of Contractor or County. Except where longer retention is required by federal or state law, Contractor

shall maintain all records for five years after County makes final payment hereunder. This provision shall survive the termination, expiration, or cancellation of this agreement.

- B. Contractor shall maintain appropriate records to insure a proper accounting of all funds and expenditures pertaining to the work performed or the services provided pursuant to this agreement. Contractor shall maintain records providing information that account for all funds and expenses related to the provision of services provided pursuant to this agreement. Access to these records shall be provided to County during working days, 8:00 a.m. to 5:00 p.m. and at other times upon reasonable notice by County, and upon request of state and federal agencies charged with the administration of programs related to the work or services to be provided pursuant to this agreement.
- C. Contractor agrees to accept responsibility for receiving, replying to, and/or complying with any audit exception by appropriate federal, state, or County audit directly related to the provisions of this agreement. Contractor agrees to repay County the full amount of payment received for duplicate billings, erroneous billings, audit exceptions, or false or deceptive claims. Contractor agrees that County may withhold any money due and recover through any appropriate method any money erroneously paid under this agreement if evidence exists of less than full compliance with this agreement including, but not limited to, exercising a right of set-off against any compensation payable to Contractor.

Section 17. COMPLIANCE WITH CHILD, FAMILY, AND SPOUSAL SUPPORT REPORTING OBLIGATIONS.

Contractor's failure to comply with state and federal child, family, and spousal support reporting requirements regarding Contractor's employees or failure to implement lawfully served wage and earnings assignment orders or notices of assignment relating to child, family, and spousal support obligations shall constitute a default under this agreement. Contractor's failure to cure such default within 90 days of notice by County shall be grounds for termination of this agreement.

Section 18. LICENSES AND PERMITS.

Contractor, and Contractor's officers, employees, and agents performing the work or services required by this agreement, shall possess and maintain all necessary licenses, permits, certificates, and credentials required by the laws of the United States, the State of California, the County of Shasta, and all other appropriate governmental agencies, including any certification and credentials required by County. Failure to maintain the licenses, permits, certificates, and credentials shall be deemed a breach of this agreement and constitutes grounds for the termination of this agreement by County.

Section 19. PERFORMANCE STANDARDS.

Contractor shall perform the work or services required by this agreement in accordance with the industry and/or professional standards applicable to Contractor's work or services.

Section 20. CONFLICTS OF INTEREST.

Contractor and Contractor's officers and employees shall not have a financial interest, or acquire any financial interest, direct or indirect, in any business, property, or source of income that could be financially affected by or otherwise conflict in any manner or degree with the performance of the work or services required under this agreement.

Section 21. NOTICES.

- A. Except as provided in section 8.C. of this agreement (oral notice of termination), any notices required or permitted pursuant to the terms and provisions of this agreement shall be given to the appropriate Party at the address specified below or at such other address as the Party shall specify in writing. Such notice shall be deemed given: (1) upon personal delivery; or (2) if sent by first class mail, postage prepaid, two days after the date of mailing.

If to County: Branch Director
 HHSA Adult Services Branch
 Attn: Contracts Unit
 2640 Breslauer Way
 Redding, CA 96001
 Phone: 530-225-5900
 Fax: 530-225-5977

If to Contractor: Chief Executive Officer
 Shingletown Medical Center
 31292 Alpine Meadows Rd.
 Shingletown, CA 96088
 Phone: (530) 474-3390
 Fax: (530) 474-4899

- B. Any oral notice authorized by this agreement shall be given to the persons specified in Section 21.A. and shall be deemed to be effective immediately.
- C. Unless otherwise stated in this agreement, any written or oral notices on behalf of the County as provided for in this agreement may be executed and/or exercised by the County Executive Officer.

Section 22. AGREEMENT PREPARATION.

It is agreed and understood by the Parties that this agreement has been arrived at through negotiation and that neither Party is to be deemed the Party which created any uncertainty in this agreement within the meaning of section 1654 of the Civil Code.

Section 23. COMPLIANCE WITH POLITICAL REFORM ACT.

Contractor shall comply with the California Political Reform Act (Government Code, sections 81000, *et seq.*), with all regulations adopted by the Fair Political Practices Commission pursuant thereto, and with the County's Conflict of Interest Code, with regard

to any obligation on the part of Contractor to disclose financial interests and to recuse from influencing any County decision which may affect Contractor's financial interests. If required by the County's Conflict of Interest Code, Contractor shall comply with the ethics training requirements of Government Code sections 53234, *et seq.*

Section 24. PROPERTY TAXES.

Contractor represents and warrants that Contractor, on the date of execution of this agreement, (1) has paid all property taxes for which Contractor is obligated to pay, or (2) is current in payments due under any approved property tax payment arrangement. Contractor shall make timely payment of all property taxes at all times during the term of this agreement.

Section 25. SEVERABILITY.

If any portion of this agreement or application thereof to any person or circumstance is declared invalid by a court of competent jurisdiction or if it is found in contravention of any federal or state statute or regulation or County ordinance, the remaining provisions of this agreement, or the application thereof, shall not be invalidated thereby and shall remain in full force and effect to the extent that the provisions of this agreement are severable.

Section 26. COUNTY'S RIGHT OF SETOFF.

To the fullest extent permitted by law, County shall have the right but not the obligation, to setoff, in whole or in part, against any compensation owed to Contractor or any of its subsidiaries under any contract with the County, any amount of any Federal or State audit liability owed by or claimed or asserted against the County or any amounts owed to County by Contractor or its subsidiaries.

Section 27. CONFIDENTIALITY.

During the term of this agreement, both Parties may have access to information that is confidential or proprietary in nature. Both Parties agree to preserve the confidentiality of and to not disclose any such information to any third party without the express written consent of the other Party or as required by law. This provision shall survive the termination, expiration, or cancellation of this agreement.

Section 28. CONFIDENTIALITY OF PATIENT INFORMATION.

All information and records obtained in the course of providing services under this agreement shall be confidential, and Contractor and all of Contractor's employees, volunteers, agents, and officers shall comply with state and federal requirements regarding confidentiality of patient information (including, but not limited to, section 5328 of the Welfare and Institutions Code; Civil Code section 56.10; the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and the regulations adopted pursuant thereto; Title 42, Code of Federal Regulations, Part 2; and Title 45, Code of Federal Regulations, section 205.50). All applicable regulations and statutes relating to patients' rights shall be adhered to. This provision shall survive the termination, expiration, or cancellation of this agreement.

Section 29. SCOPE AND OWNERSHIP OF WORK.

All research data, reports, and every other work product of any kind or character arising from or relating to this agreement shall become the property of the County and be delivered to the County upon completion of its authorized use pursuant to this agreement. County may use such work products for any purpose whatsoever. All works produced under this agreement shall be deemed works produced by a contractor for hire, and all copyright with respect thereto shall vest in the County without payment of royalty or any other additional compensation. Notwithstanding anything to the contrary contained in this agreement, Contractor shall retain all of Contractor's rights in Contractor's own proprietary information, including, without limitation, Contractor's methodologies and methods of analysis, ideas, concepts, expressions, know how, methods, techniques, skills, knowledge, and experience possessed by Contractor prior to, or acquired by Contractor during the performance of this agreement and Contractor shall not be restricted in any way with respect thereto.

Section 30. USE OF COUNTY PROPERTY.

Contractor shall not use County premises, property (including equipment, instruments, and supplies), or personnel for any purpose other than in the performance of Contractor's obligations under this agreement.

Section 31. FINANCIAL REPORTING.

Contractor shall provide financial information and/or records pertaining to Contractor's agency including, but not limited to: audited financial statement from audit prepared in accordance with Circular No. A-133 of the Office of Management and Budget of the Executive Office of the President of the United States ("OMB") and performed by a qualified Certified Public Accountant (submitted annually to County within 30 days of Contractor's receipt of financial statement); IRS form 990 and all supporting schedules (submit to County within 30 days of filing); notice to County of any tax delinquency including but not limited to property, sales, income, and payroll taxes (submit to County within 10 days of receipt of notice or knowledge of delinquency). All financial information shall be submitted to Shasta County Health and Human Services Agency, Business and Support Services, Attention: HHSA Fiscal Manager, P.O. Box 496005, Redding, CA 96049-6005. Contractor shall provide additional financial information as requested by County within 30 days of receiving such request. Contractor shall fully cooperate with County in providing any financial information and/or records requested by County concerning this agreement. This Section shall survive the termination, expiration or cancellation of this agreement for the period of time necessary to submit all required financial reporting to County as prescribed herein.

Section 32. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT.

The Parties acknowledge the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations ("HIPAA"). Contractor understands and agrees that, as a provider of medical treatment services, it is a "covered entity" under HIPAA and, as such, has obligations with respect to the confidentiality, privacy, and security of patients' medical information, and must take certain steps to preserve the confidentiality of this information,

both internally and externally, including the training of staff and the establishment of proper procedures for the release of such information. The Parties acknowledge their separate and independent obligations with respect to HIPAA, and that such obligations relate to transactions and code sets, privacy, and security. Contractor understands and agrees that it is independently responsible for compliance with HIPAA and agrees to take all necessary actions to comply with the requirements of HIPAA related to transactions and code sets, privacy, and security. Contractor agrees that, should it fail to comply with its obligations under HIPAA, it shall indemnify and hold harmless County (including County's officers, employees, and agents), for damages that are attributable to such failure. The indemnification provided for in this section is in addition to, and does not in any way limit, the hold harmless, indemnification, and defense obligations of Contractor that are provided for in Section 12.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, County and Contractor have executed this agreement on the dates set forth below. By their signatures below, each signatory represents that he/she has the authority to execute this agreement and to bind the Party on whose behalf his/her execution is made.

COUNTY OF SHASTA

Date: _____

LEONARD MOTY, CHAIRMAN
Board of Supervisors
County of Shasta
State of California

ATTEST:

LAWRENCE G. LEES
Clerk of the Board of Supervisors

By: _____
Deputy

Approved as to form:
RUBIN E. CRUSE, JR.
County Counsel

By: Alan B. Cox 7/11/19
Deputy County Counsel

RISK MANAGEMENT APPROVAL

By: James Johnson 07/12/19
Risk Management Analyst

CONTRACTOR

Date: 7/16/19

Tami Fraser
Tami Fraser
Chief Executive Officer

Tax I.D.#: On File

EXHIBIT A

SHINGLETOWN MEDICAL CENTER
BUDGET

Shasta County Health & Human Services Agency
1810 Market Street
Redding, CA 96001

Shingletown Medical Center
31292 Alpine Meadows Rd
Shingletown, CA 96088

Multi-Year Service Budgets

Budget Category	Budget Period		Budget Period		Budget Period		Total Budgeted Costs
	07/19 - 06/20		07/20 - 06/21		07/21 - 06/22		
Personnel/Position	FTE						
LCSW	1.00	72,203.00		74,369.09		76,600.16	223,172.25
Case Manager	1.00	41,200.00		42,436.00		43,709.08	127,345.08
Fringe Benefits		28,299.25		29,148.23		30,022.67	87,470.15
Total Salary and Benefits		141,702.25		145,953.32		150,331.92	437,987.48
Operating Expenses							
Office Expenses/Supplies		500.00		500.00		500.00	1,500.00
Equipment/Computer Maint & Software		6,500.00		6,500.00		6,500.00	19,500.00
Rents/Leases		1,000.00		1,000.00		1,000.00	3,000.00
Utilities/Communications		6,500.00		6,500.00		6,500.00	19,500.00
Travel		1,000.00		1,000.00		1,000.00	3,000.00
Continuing Education		1,000.00		1,000.00		1,000.00	3,000.00
(OTHER - Please Specify)							
(OTHER - Please Specify)							
(OTHER - Please Specify)							
(OTHER - Please Specify)							
Total Operating Expenses		16,500.00		16,500.00		16,500.00	49,500.00
Other Expenses							
Fixed Assets							
(OTHER - Please Specify)							
(OTHER - Please Specify)							
Total Other Expenses		0.00		0.00		0.00	0.00
Total Expenses		158,202.25		162,453.32		166,831.92	487,487.48
Administrative Cost		21,255.34		21,893.00		22,549.79	65,698.12
(Not to exceed 15% of salaries)							
Totals		\$179,457.59		\$184,346.32		\$189,381.70	\$553,185.61
Revenue		\$76,457.59		\$78,256.32		\$80,109.00	\$234,822.91
Net Contract Costs		\$103,000.00		\$106,090.00		\$109,272.70	\$318,362.70

FOR COUNTY USE ONLY:

Cost Center
Account Code
Project Code
Activity Code

EXHIBIT B EXPENDITURE REPORT

Shingletown Medical Center
31292 Alpine Meadows Rd.
Shingletown, CA 96088

Check for final Report ☐

Date of Report

Term of Contract:

Period of Report

Budget Category (1)	Approved Budget (2)	This Period (3)	Previous Periods (4)	YTD (5)	Remaining Balance (6)
Personnel/Position					
Fringe Benefits					
Total Salary and Benefits					
Operating Expenses					
Office Expenses/Supplies					
Equipment					
Rents/Leases					
Utilities/Communications					
Travel					
(OTHER - Please Specify)					
Total Operating Expenses					
Other Expenses					
Fixed Assets					
(OTHER - Please Specify)					
Total Other Expenses					
Total Expenses					
Administrative Cost					
(Not to exceed 15% of salaries)					
Totals					
Revenue					
Net Contract Costs					

Invoice Total

\$,---.---

Prepared by: (type name here)

Date

Telephone #

FOR COUNTY USE ONLY:

Cost Center

Account Code

Project Code

Activity Code

EXHIBIT C QUARTERLY PROGRESS REPORT

Quarterly Progress Report

Months in Quarter (i.e. Jan – Mar):

Year:

Services

1. During this quarter, how many of the following types of mental health services did you provide?

Service Type	Number of Visits
Screenings	
Assessments	
Medication Management	
Individual Psychotherapy Sessions	

2. During this quarter, what types of case management did you provide?

Service Type	Number of Visits
SSI Application Assistance	
Medi-Cal Application Assistance	
Medicare Application Assistance	
Other: _____	
Other: _____	
Other: _____	

People

3. During this quarter, how many mental health related visits were there?
4. During this quarter, how many people (unique individuals) did you provide mental health treatment to?

For those people counted in number 4, please answer the following:

5. What was their payor source at the time of service?

Payor Source	Number Seen
CMSP	
Insurance	
Medi-Cal	
Medicare	
Private Pay	

EXHIBIT C
QUARTERLY PROGRESS REPORT

Other	
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6. What was their age at the time of service?

Age	Number Seen
0-15	
16-25	
26-59	
60+	

7. What was their gender?

Gender	Number Seen
Male	
Female	
Transgender	
Other	

8. What was their race/ethnicity?

Race/Ethnicity	Number Seen
Caucasian	
African American	
Asian	
Pacific Islander	
Native American	
Hispanic	
Multirace	
Other	
Unknown	

9. What was their primary language spoken?

Primary Language	Number Seen
English	
Spanish	
Vietnamese	
Cantonese	
Mandarin	
Tagalog	
Cambodian	
Hmong	
Russian	

EXHIBIT C QUARTERLY PROGRESS REPORT

Farsi	
Arabic	
Other	

10. Which cultures did they identify with?

Culture	Number Seen
Lesbian/Gay/Bisexual/Transgender/Questioning	
Veteran	
Homeless	
Other: _____	
Other: _____	
Other: _____	

11. What was their primary mental health diagnosis?

Diagnosis	Number Seen
ADHD/ADD	
Adjustment Disorders	
Bipolar Disorders	
Cognitive Disorders	
Depressive Disorders	
Disruptive Behavior Disorders	
Other Anxiety Disorders	
Personality Disorders	
Post-Traumatic Stress Disorder	
Psychotic Disorders (Not Schizophrenia)	
Schizophrenia	
Substance-Related Disorders	
Unspecified Diagnosis (non-psychotic)	
Other Conditions	
Other Disorders Usually Diagnosed in Childhood	
Deferred Mental Health Diagnosis	

12. How many people whose chief complaint is related to mental health also received physical health treatment?

13. How many people whose chief complaint is related to physical health also received mental health treatment?

EXHIBIT C QUARTERLY PROGRESS REPORT

14. How many had a co-occurring disorder of substance abuse and mental illness?
15. How many referrals were made to the following types of organizations? We recognize that this will not add to what was reported in question 4 as people can be referred to more than one type of organization.

Type of Organization	Number Referred
Substance Abuse Treatment	
Employment Assistance	
Emergency Housing	
Recovery Support Services	
Education	
Other Support Services	

Referral Process

16. How many mental health related referrals did you receive from Shasta County Health and Human Services?
17. How many mental health related referrals did you accept from Shasta County Health and Human Services?

Overview

18. Please include any educational materials, audio visual aids, interviews with the press, flyers, or publications that pertain to activities outlined in the contract. The following statement should be included: "This activity (or program) has been funded by the County of Shasta through the California Mental Health Services Act."
19. Please provide a brief narrative of any barriers or issues with services and/or access that occurred during this past quarter.

EXHIBIT C
QUARTERLY PROGRESS REPORT

20. Please provide a brief narrative of any successes or achievements experienced with services and/or access during this past quarter.

PERSONAL SERVICES AGREEMENT BETWEEN THE COUNTY OF SHASTA AND MOUNTAIN VALLEYS HEALTH CENTERS

This agreement is entered into between the County of Shasta, a political subdivision of the State of California, through its Health and Human Services Agency (“County”), and Mountain Valleys Health Centers, a California not-for-profit corporation (“Contractor”), (collectively, the “Parties” and individually a “Party”), for the provision of outpatient mental health services.

Section 1. DEFINITIONS.

For the purposes of this agreement, the following definitions shall apply:

- A. **Case Management:** The coordination of community services for mental health patients by allocating a professional to be responsible for the assessment of need and implementation of care plans.
- B. **Serious Emotional Disturbance (“SED”):** Children up to age 18 who currently or at any time during the past year have had a diagnosable mental, behavioral, or emotional disorder of sufficient duration to meet diagnostic criteria specified within the Diagnostic and Statistical Manual of Mental Disorders which result in functional impairment and which substantially interferes with or limits the child’s role or functioning in family, school, or community activities.
- C. **Mountain Valleys Health Centers:** A Federally Qualified Health Center (FQHC) as defined in 42 United States Code (“U.S.C.”) §1396d(l)(2)(B)(i) or (ii), and provides physical and mental health services to the “medically underserved population” (as defined in 42 U.S.C. §254b(b)(3)(A)) of County of Shasta.
- D. **Seriously Mentally Ill (“SMI”):** Persons 18 years and older who, at any time during a given year, had a diagnosable mental, behavioral, or emotional disorder that met the criteria of the Diagnostic and Statistical Manual of Mental Disorders which has resulted in functional impairment which substantially interferes with or limits one or more major life activities.

Section 2. RESPONSIBILITIES OF CONTRACTOR.

Pursuant to the terms and conditions of this agreement, Contractor shall:

- A. Provide services to Shasta County residents who are at-risk of serious mental illness (“Clients”) and who seek mental health services at Contractor’s facilities located in Shasta County.
- B. Provide outpatient mental health services, including screening, assessment, medication management, diagnosis, and treatment to Clients.
- C. Provide integrated mental health and physical health treatment to Clients suffering from mental illness.
- D. Provide treatment to Clients with the co-occurring disorders of substance abuse and mental illness.

- E. Accept referrals of Clients in need of psychiatric services from County.
- F. Develop a referral directory of providers of substance abuse treatment, employment assistance, emergency housing, recovery support services, education, and other support services that would benefit program Clients.
- G. Provide a representative to meet with County staff on a quarterly basis or as needed for the purpose of insuring coordination of mental health treatment and program planning.
- H. Provide case management services including, but not limited to: assisting Clients in completing supplemental security income ("SSI"), Medi-Cal, and Medicare applications.
- I. Participate in trainings as provided and directed by County. These may include but are not limited to, reducing stigma related to mental illness; screening and identification of individuals with signs and symptoms of mental illness, including at risk children and youth; and integration of mental health primary care services.
- J. Acknowledge the funding source of all activities undertaken pursuant to this agreement by including in any educational and training materials, audio visual aids, websites, interviews with the press, flyers, or publications the following statement: "This activity (or program) has been funded by the County of Shasta through the California Mental Health Services Act."
- K. As required by Government Code section 7550, each document or report prepared by Contractor for or under the direction of County pursuant to this agreement shall contain the numbers and dollar amount of the agreement and all subcontracts under the agreement relating to the preparation of the document or written report. If multiple documents or written reports are the subject of the agreement or subcontracts, the disclosure section may also contain a statement indicating that the total contract amount represents compensation for multiple documents or written reports. Contractor shall label the bottom of the last page of the document or report as follows: department name, agreement number, and dollar amount. If more than one document or report is produced under this agreement, Contractor shall add: "This [document or report] is one of [number] produced under this agreement."

Section 3. RESPONSIBILITIES OF COUNTY.

Pursuant to the terms and conditions of this agreement, County shall:

- A. Compensate Contractor as prescribed in section 4 and 5 of this agreement and monitor the outcomes achieved by Contractor.
- B. Provide protocols for linkage by Contractor to County for Clients, including protocols for consultation and sharing Client data when appropriate and authorized.

- C. Monitor and evaluate the performance of Contractor throughout the term of this agreement to assure compliance with the terms and conditions of this agreement.

Section 4. COMPENSATION.

- A. In accordance with the budget as prescribed in **EXHIBIT A** ("Budget"), attached and incorporated herein, County shall pay to Contractor a maximum of \$87,550.00 for Fiscal Year (FY) 2019/20, \$90,176.50 for FY 2020/21, and \$92,881.80 for FY 2021/22 for all reasonable and necessary costs in accordance with applicable Circulars of the Office of Management and Budget ("OMB") of the Executive Office of the President of the United States, for satisfactorily providing services pursuant to this agreement.
- B. In no event shall the maximum amount payable under this agreement exceed \$270,608.30 during the term of the agreement.
- C. The amounts to be paid under this agreement shall be paid in 12 equal monthly installments per contract year beginning on the first day of the second month, as payment for the previous month, following the Effective Date.
- D. During the term of this agreement, the HHSA Director, or any HHSA Branch Director designated by the HHSA Director, may approve in writing and in advance, budget line item shifts, provided that the line item shift does not exceed 15 percent of any Budget category during the entire term of the agreement and provided further that the line item shift shall not increase the total compensation payable under this agreement.
- E. Overhead/Administrative expenses shall be calculated at an amount not to exceed 15 percent of salaries.
- F. Contractor's violation or breach of agreement terms may result in fiscal penalties, withholding of compensation, or termination of this agreement.
- G. Contractor shall be paid via electronic invoice payment; automated clearing house ("ACH"), County credit card, or Commerce Bank virtual card. ACH payments require submission of the completed Auditor-Controller ACH/Direct Deposit authorization form with first claim for payment.

Section 5. BILLING AND PAYMENT.

- A. Contractor shall submit to County's Health and Human Services Agency ("HHSA") Business and Support Services Branch, Attn: Accounts Payable, P.O. Box 496005, Redding, CA 96049-6005 monthly by the 15th day of each month for services rendered the preceding month, and in accordance with the Budget, a billhead or invoice regularly used in the conduct of Contractor's business for services rendered and costs incurred, accompanied by an EXPENDITURE REPORT, **EXHIBIT B**, attached and incorporated herein, accompanied by supporting documentation and verification, including receipts and personnel timecards or time studies, for all

expenses incurred. Administrative/overheard costs shall be billed at an amount not to exceed 15 percent of salaries and shall not require supporting documentation. Notwithstanding the foregoing, Contractor shall submit for the final month of this agreement (i.e., June of 2022) no later than July 15, 2022, an invoice for services rendered County and costs incurred. County shall pay Contractor within 30 days of receipt of a complete, correct, and approved invoice for services rendered and costs incurred.

- B. Contractor shall have the sole responsibility for billing and collection, in accordance with all applicable laws, from third party payers for the rendering of professional services delivered by Contractor.
- C. Compensation under this agreement shall be reduced by applicable contractor revenues. The term “applicable contractor revenues” refers to those receipts or reductions in expenditures or costs which operate to offset or reduce expense or cost items that are allocable to Contractor’s compensation under this agreement (such as but not limited to: purchase discounts, rebates or allowances, insurance refunds and adjustments or overpayment, or other erroneous charges to the extent that applicable contractor revenues, accruing or received by Contractor relate to allowable costs, they shall be credited to County either as a reduction, or a cash refund, as appropriate.
- D. Should County, or the state or federal government, disallow any amount claimed by Contractor, Contractor shall reimburse County, or the state or federal government, as directed by County, or the state or federal government, for such disallowed cost.

Section 6. TERM OF AGREEMENT.

The initial term of this agreement shall commence July 1, 2019 and shall end June 30, 2022. Notwithstanding the foregoing, County shall not be obligated for payments hereunder for any future County fiscal year unless or until County’s Board of Supervisors appropriates funds for this agreement in County’s budget for that County fiscal year. In the event that funds are not appropriated for this agreement, then this agreement shall end as of June 30 of the last County fiscal year for which funds for this agreement were appropriated. For the purposes of this agreement, the County fiscal year commences on July 1 and ends on June 30 of the following year. County shall notify Contractor in writing of such non-appropriation at the earliest possible date.

Section 7. REPORTING REQUIREMENTS

- A. Timely submission of reports is required. Reports not received within 90 days from the date they are due to County may result in County withholding future payments to Contractor. The reports to be provided to County by Contractor are as follows:
 - (1) Quarterly Progress Report – A **EXHIBIT C** (“Quarterly Progress Report”), attached and incorporated herein, shall be submitted to County within 30 days of the end of each calendar quarter. For purposes of this agreement, the end of each calendar quarter shall be March, June, September and December. Supporting documentation of Quarterly Progress Report data shall be available to County as requested.

- (2) Budget Expenditure Report – A Budget Expenditure Report shall be submitted to County 30 days after the end of each calendar quarter during the term of this agreement, reflecting expenditures on the budgeted items, as well as any budget problems arising during the reporting period.

Section 8. TERMINATION OF AGREEMENT.

- A. If Contractor materially fails to perform Contractor's responsibilities under this agreement to the satisfaction of County, or if Contractor fails to fulfill in a timely and professional manner Contractor's responsibilities under this agreement, or if Contractor violates any of the terms or provisions of this agreement, then County shall have the right to terminate this agreement for cause effective immediately upon the County giving written notice thereof to Contractor. If termination for cause is given by County to Contractor and it is later determined that Contractor was not in default or the default was excusable, then the notice of termination shall be deemed to have been given without cause pursuant to paragraph B of this section.
- B. County may terminate this agreement without cause on 60 days written notice to Contractor.
- C. County may terminate this agreement immediately upon oral notice should funding cease or be materially decreased during the term of this agreement.
- D. County's right to terminate this agreement may be exercised by the County Executive Officer, the Shasta County HHSA Director ("Director") or any HHSA Branch Director designated by the Director.
- E. Should this agreement be terminated, Contractor shall promptly provide to County any and all finished and unfinished reports, data, studies, photographs, charts, and other documents prepared by Contractor pursuant to this agreement.
- F. If this agreement is terminated, Contractor shall only be paid for services satisfactorily completed and provided prior to the effective date of termination.

Section 9. ENTIRE AGREEMENT; AMENDMENTS; HEADINGS; EXHIBITS/APPENDICES.

- A. This agreement supersedes all previous agreements relating to the subject of this agreement and constitutes the entire understanding of the Parties hereto. Contractor shall be entitled to no other benefits other than those specified herein. Contractor specifically acknowledges that in entering into and executing this agreement, Contractor relies solely upon the provisions contained in this agreement and no others.
- B. No changes, amendments, or alterations to this agreement shall be effective unless in writing and signed by both Parties. Notwithstanding the foregoing, line item shifts may be approved in writing as set forth in section 4.D of this agreement. However, minor amendments, including retroactive, that do not result in a substantial or functional change to the original intent of this agreement and do not cause an increase to the maximum amount payable under this agreement may be agreed to in writing between Contractor and the HHSA Director, or any HHSA Branch Director designated by the HHSA Director, provided that the amendment is in substantially the same format as the

County's standard format amendment contained in the Shasta County Contracts Manual (Administrative Policy 6-101).

- C. The headings that appear in this agreement are for reference purposes only and shall not affect the meaning or construction of this agreement.
- D. If any ambiguity, inconsistency, or conflict exists or arises between the provisions of this agreement and the provisions of any of this agreement's exhibits or appendices, the provisions of this agreement shall govern.

Section 10. NONASSIGNMENT OF AGREEMENT; NON-WAIVER.

Inasmuch as this agreement is intended to secure the specialized services of Contractor, Contractor may not assign, transfer, delegate, or sublet any interest herein without the prior written consent of County. The waiver by County of any breach of any requirement of this agreement shall not be deemed to be a waiver of any other breach.

Section 11. EMPLOYMENT STATUS OF CONTRACTOR.

Contractor shall, during the entire term of this agreement, be construed to be an independent contractor, and nothing in this agreement is intended nor shall be construed to create an employer-employee relationship, a joint venture relationship, or to allow County to exercise discretion or control over the professional manner in which Contractor performs the work or services that are the subject matter of this agreement; provided, however, that the work or services to be provided by Contractor shall be provided in a manner consistent with the professional standards applicable to such work or services. The sole interest of County is to insure that the work or services shall be rendered and performed in a competent, efficient, and satisfactory manner. Contractor shall be fully responsible for payment of all taxes due to the State of California or the federal government that would be withheld from compensation if Contractor were a County employee. County shall not be liable for deductions for any amount for any purpose from Contractor's compensation. Contractor shall not be eligible for coverage under County's workers' compensation insurance plan nor shall Contractor be eligible for any other County benefit. Contractor must issue W-2 and 941 Forms for income and employment tax purposes, for all of Contractor's assigned personnel under the terms and conditions of this agreement.

Section 12. INDEMNIFICATION.

To the fullest extent permitted by law, Contractor shall indemnify and hold harmless County, its elected officials, officers, employees, agents, and volunteers against all claims, suits, actions, costs, expenses (including, but not limited to, reasonable attorney's fees of County Counsel and counsel retained by County, expert fees, litigation costs, and investigation costs), damages, judgments, or decrees arising from the work or the provision of services undertaken pursuant to this agreement by Contractor, or by any of Contractor's subcontractors, any person employed under Contractor, or under any subcontractor, or in any capacity, except when the injury or loss is caused by the sole negligence or intentional wrongdoing of County. Contractor shall also, at Contractor's own expense, defend the County, its elected officials, officers, employees, agents, and volunteers, against any claim, suit, action, or proceeding brought against County, its elected officials, officers, employees,

agents, and volunteers, arising from the work or the provision of services undertaken pursuant to this agreement by Contractor, or any of Contractor's subcontractors, any person employed under Contractor, or under any Subcontractor, or in any capacity. Contractor shall also defend and indemnify County for any adverse determination made by the Internal Revenue Service or the State Franchise Tax Board and/or any other taxing or regulatory agency and shall defend, indemnify, and hold harmless County with respect to Contractor's "independent contractor" status that would establish a liability on County for failure to make social security deductions or contributions or income tax withholding payments, or any other legally mandated payment. The provisions of this paragraph are intended to be interpreted as broadly as permitted by applicable law. This provision shall survive the termination, expiration, or cancellation of this agreement.

Section 13. INSURANCE COVERAGE.

- A. Without limiting Contractor's duties of defense and indemnification, Contractor and any subcontractor shall obtain, from an insurance carrier authorized to transact business in the State of California, and maintain continuously during the term of this agreement Commercial General Liability Insurance, including coverage for owned and non-owned automobiles, and other coverage necessary to protect County and the public with limits of liability of not less than \$1 million per occurrence; such insurance shall be primary as to any other insurance maintained by County.
- B. Contractor and any subcontractor shall obtain and maintain continuously required Workers' Compensation and Employer's Liability Insurance to cover Contractor, subcontractor, Contractor's partner(s), subcontractor's partner(s), Contractor's employees, and subcontractor's(s') employees with an insurance carrier authorized to transact business in the State of California covering the full liability for compensation for injury to those employed by Contractor or subcontractor. Each such policy shall be endorsed to state that the Workers' Compensation carrier waives its right of subrogation against *County, its elected officials, officers, employees, agents, and volunteers* which might arise in connection with this agreement. Contractor hereby certifies that Contractor is aware of the provisions of section 3700 of the Labor Code, which requires every employer to insure against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code, and Contractor shall comply with such provisions before commencing the performance of the work or the provision of services pursuant to this agreement.
- C. Contractor shall obtain and maintain continuously a policy of Errors and Omissions coverage with limits of liability of not less than \$1 million per occurrence
- D. Contractor shall require subcontractors to furnish satisfactory proof to County that liability and workers' compensation and other required types of insurance have been obtained and are maintained similar to that required of Contractor pursuant to this agreement.
- E. With regard to all insurance coverage required by this agreement:
 - (1) Any deductible or self-insured retention exceeding \$25,000 for Contractor or subcontractor shall be disclosed to and be subject to approval by the County Risk Manager prior to the effective date of this agreement.

- (2) If any insurance coverage required hereunder is provided on a “claims made” rather than “occurrence” form, Contractor or subcontractor shall maintain such insurance coverage with an effective date earlier or equal to the effective date of this agreement and continue coverage for a period of three years after the expiration of this agreement and any extensions thereof. In lieu of maintaining post-agreement expiration coverage as specified above, Contractor or subcontractor may satisfy this provision by purchasing tail coverage for the claims-made policy. Such tail coverage shall, at a minimum, provide the insurance coverage required hereunder for claims received and reported three years after the expiration date of this agreement.
- (3) All insurance (except workers' compensation and professional liability) shall include an endorsement or an amendment to the policy of insurance which names *County, its elected officials, officers, employees, agents, and volunteers as additional insureds*. In the event that coverage is reduced or canceled a notice of said reduction or cancellation shall be provided to County within 24 hours. Any available insurance proceeds in excess of the specified minimum limits and coverage pursuant to the terms of this agreement shall be applicable to the Additional Insured. The additional insureds coverage shall be equal to Insurance Service Office endorsement CG 20 10 for on-going operations, and CG 20 37 for completed operations.
- (4) Each insurance policy (except for workers' compensation and professional liability policies), or an endorsement thereto, shall contain a “separation of insureds” clause which shall read:

“Separation of Insureds.

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

 - a. As if each Named Insured were the only Named Insured; and
 - b. Separately to each suit insured against whom a claim is made or suit is brought.”
- (5) Contractor shall provide County with an endorsement or amendment to Contractor’s policy of insurance as evidence of insurance protection before the effective date of this agreement.
- (6) The insurance coverage required herein shall be in effect at all times during the term of this agreement. In the event any insurance coverage expires at any time during the term of this agreement, Contractor shall provide County, at least 20 days prior to said expiration date, a new endorsement or policy amendment evidencing insurance coverage as provided for herein for not less than the remainder of the term of this agreement or for a period of not less than one year. In the event Contractor fails to keep in effect at all times insurance coverage as herein provided and a renewal endorsement or policy amendment is not provided within 10 days of the expiration of the endorsement or policy amendment in effect at inception of this agreement, County may, in addition to any other remedies it may have, terminate this agreement upon the occurrence of such event.

- (7) If the endorsement or amendment does not reflect the limits of liability provided by the policy of insurance, Contractor shall provide County a certificate of insurance reflecting those limits.
- (8) Any of Contractor's Excess Insurance shall contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of County.

Section 14. NOTICE OF CLAIM; APPLICABLE LAW; VENUE.

- A. If any claim for damages is filed with Contractor or if any lawsuit is instituted concerning Contractor's performance under this agreement and that in any way, directly or indirectly, contingently or otherwise, affects or might reasonably affect County, Contractor shall give prompt and timely notice thereof to County. Notice shall be prompt and timely if given within 30 days following the date of receipt of a claim or 10 days following the date of service of process of a lawsuit. This provision shall survive the termination, expiration, or cancellation of this agreement.
- B. Any dispute between the Parties, and the interpretation of this agreement, shall be governed by the laws of the State of California. Any litigation shall be venued in Shasta County.

Section 15. COMPLIANCE WITH LAWS; NON-DISCRIMINATION.

- A. Contractor shall observe and comply with all applicable present and future federal laws, state laws, local laws, codes, rules, regulations, and/or orders that relate to the work or services to be provided pursuant to this agreement.
- B. Contractor shall not discriminate in employment practices or in the delivery of services on the basis of race, color, creed, religion, national origin, sex, age, marital status, sexual orientation, medical condition (including cancer, HIV, and AIDS), physical or mental disability, use of family care leave under either the Family & Medical Leave Act or the California Family Rights Act, or on the basis of any other status or conduct protected by law.
- C. Contractor represents that Contractor is in compliance with and agrees that Contractor shall continue to comply with the Americans with Disabilities Act of 1990 (42 U.S.C. sections 12101, *et seq.*), the Fair Employment and Housing Act (Government Code sections 12900, *et seq.*), and regulations and guidelines issued pursuant thereto.
- D. No funds or compensation received by Contractor under this agreement shall be used by Contractor for sectarian worship, instruction, or proselytization. No funds or compensation received by Contractor under this agreement shall be used to provide direct, immediate, or substantial support to any religious activity.
- E. In addition to any other provisions of this agreement, Contractor shall be solely responsible for any and all damages caused, and/or penalties levied, as the result of Contractor noncompliance with the provisions of this section.

Section 16. ACCESS TO RECORDS; RECORDS RETENTION.

- A. County, federal, and state officials shall have access to any books, documents, papers, and records of Contractor that are directly pertinent to the subject matter of this agreement for the purpose of auditing or examining the activities of Contractor or County. Except where longer retention is required by federal or state law, Contractor shall maintain all records for five years after County makes final payment hereunder. This provision shall survive the termination, expiration, or cancellation of this agreement.
- B. Contractor shall maintain appropriate records to insure a proper accounting of all funds and expenditures pertaining to the work performed or the services provided pursuant to this agreement. Contractor shall maintain records providing information that account for all funds and expenses related to the provision of services provided pursuant to this agreement. Access to these records shall be provided to County during working days, 8:00 a.m. to 5:00 p.m. and at other times upon reasonable notice by County, and upon request of state and federal agencies charged with the administration of programs related to the work or services to be provided pursuant to this agreement.
- C. Contractor agrees to accept responsibility for receiving, replying to, and/or complying with any audit exception by appropriate federal, state, or County audit directly related to the provisions of this agreement. Contractor agrees to repay County the full amount of payment received for duplicate billings, erroneous billings, audit exceptions, or false or deceptive claims. Contractor agrees that County may withhold any money due and recover through any appropriate method any money erroneously paid under this agreement if evidence exists of less than full compliance with this agreement including, but not limited to, exercising a right of set-off against any compensation payable to Contractor.

Section 17. COMPLIANCE WITH CHILD, FAMILY, AND SPOUSAL SUPPORT REPORTING OBLIGATIONS.

Contractor's failure to comply with state and federal child, family, and spousal support reporting requirements regarding Contractor's employees or failure to implement lawfully served wage and earnings assignment orders or notices of assignment relating to child, family, and spousal support obligations shall constitute a default under this agreement. Contractor's failure to cure such default within 90 days of notice by County shall be grounds for termination of this agreement.

Section 18. LICENSES AND PERMITS.

Contractor, and Contractor's officers, employees, and agents performing the work or services required by this agreement, shall possess and maintain all necessary licenses, permits, certificates, and credentials required by the laws of the United States, the State of California, the County of Shasta, and all other appropriate governmental agencies, including any certification and credentials required by County. Failure to maintain the licenses, permits, certificates, and credentials shall be deemed a breach of this agreement and constitutes grounds for the termination of this agreement by County.

Section 19. PERFORMANCE STANDARDS.

Contractor shall perform the work or services required by this agreement in accordance with the industry and/or professional standards applicable to Contractor's work or services.

Section 20. CONFLICTS OF INTEREST.

Contractor and Contractor's officers and employees shall not have a financial interest, or acquire any financial interest, direct or indirect, in any business, property, or source of income that could be financially affected by or otherwise conflict in any manner or degree with the performance of the work or services required under this agreement.

Section 21. NOTICES.

- A. Except as provided in section 8.C. of this agreement (oral notice of termination), any notices required or permitted pursuant to the terms and provisions of this agreement shall be given to the appropriate Party at the address specified below or at such other address as the Party shall specify in writing. Such notice shall be deemed given: (1) upon personal delivery; or (2) if sent by first class mail, postage prepaid, two days after the date of mailing.

If to County: Branch Director
 HHSA Adult Services Branch
 Attn: Contracts Unit
 2640 Breslauer Way
 Redding, CA 96001
 Phone: 530-225-5900
 Fax: 530-225-5977

If to Contractor: Chief Executive Officer
 Mountain Valleys Health Centers
 P.O. Box 277
 Bieber, CA 96009
 Phone: 530-294-5114
 Fax: 530-294-5392

- B. Any oral notice authorized by this agreement shall be given to the persons specified in Section 21.A. and shall be deemed to be effective immediately.
- C. Unless otherwise stated in this agreement, any written or oral notices on behalf of the County as provided for in this agreement may be executed and/or exercised by the County Executive Officer.

Section 22. AGREEMENT PREPARATION.

It is agreed and understood by the Parties that this agreement has been arrived at through negotiation and that neither Party is to be deemed the Party which created any uncertainty in this agreement within the meaning of section 1654 of the Civil Code.

Section 23. COMPLIANCE WITH POLITICAL REFORM ACT.

Contractor shall comply with the California Political Reform Act (Government Code, sections 81000, *et seq.*), with all regulations adopted by the Fair Political Practices Commission pursuant thereto, and with the County's Conflict of Interest Code, with regard to any obligation on the part of Contractor to disclose financial interests and to recuse from influencing any County decision which may affect Contractor's financial interests. If required by the County's Conflict of Interest Code, Contractor shall comply with the ethics training requirements of Government Code sections 53234, *et seq.*

Section 24. PROPERTY TAXES.

Contractor represents and warrants that Contractor, on the date of execution of this agreement, (1) has paid all property taxes for which Contractor is obligated to pay, or (2) is current in payments due under any approved property tax payment arrangement. Contractor shall make timely payment of all property taxes at all times during the term of this agreement.

Section 25. SEVERABILITY.

If any portion of this agreement or application thereof to any person or circumstance is declared invalid by a court of competent jurisdiction or if it is found in contravention of any federal or state statute or regulation or County ordinance, the remaining provisions of this agreement, or the application thereof, shall not be invalidated thereby and shall remain in full force and effect to the extent that the provisions of this agreement are severable.

Section 26. COUNTY'S RIGHT OF SETOFF.

To the fullest extent permitted by law, County shall have the right but not the obligation, to setoff, in whole or in part, against any compensation owed to Contractor or any of its subsidiaries under any contract with the County, any amount of any Federal or State audit liability owed by or claimed or asserted against the County or any amounts owed to County by Contractor or its subsidiaries.

Section 27. CONFIDENTIALITY.

During the term of this agreement, both Parties may have access to information that is confidential or proprietary in nature. Both Parties agree to preserve the confidentiality of and to not disclose any such information to any third party without the express written consent of the other Party or as required by law. This provision shall survive the termination, expiration, or cancellation of this agreement.

Section 28. CONFIDENTIALITY OF PATIENT INFORMATION.

All information and records obtained in the course of providing services under this agreement shall be confidential, and Contractor and all of Contractor's employees, volunteers, agents, and officers shall comply with state and federal requirements regarding confidentiality of patient information (including, but not limited to, section 5328 of the Welfare and Institutions Code; Civil Code section 56.10; the Health Insurance Portability

and Accountability Act of 1996 (HIPAA) and the regulations adopted pursuant thereto; Title 42, Code of Federal Regulations, Part 2; and Title 45, Code of Federal Regulations, section 205.50). All applicable regulations and statutes relating to patients' rights shall be adhered to. This provision shall survive the termination, expiration, or cancellation of this agreement.

Section 29. SCOPE AND OWNERSHIP OF WORK.

All research data, reports, and every other work product of any kind or character arising from or relating to this agreement shall become the property of the County and be delivered to the County upon completion of its authorized use pursuant to this agreement. County may use such work products for any purpose whatsoever. All works produced under this agreement shall be deemed works produced by a contractor for hire, and all copyright with respect thereto shall vest in the County without payment of royalty or any other additional compensation. Notwithstanding anything to the contrary contained in this agreement, Contractor shall retain all of Contractor's rights in Contractor's own proprietary information, including, without limitation, Contractor's methodologies and methods of analysis, ideas, concepts, expressions, know how, methods, techniques, skills, knowledge, and experience possessed by Contractor prior to, or acquired by Contractor during the performance of this agreement and Contractor shall not be restricted in any way with respect thereto.

Section 30. USE OF COUNTY PROPERTY.

Contractor shall not use County premises, property (including equipment, instruments, and supplies), or personnel for any purpose other than in the performance of Contractor's obligations under this agreement.

Section 31. FINANCIAL REPORTING.

Contractor shall provide financial information and/or records pertaining to Contractor's agency including, but not limited to: audited financial statement from audit prepared in accordance with Circular No. A-133 of the Office of Management and Budget of the Executive Office of the President of the United States ("OMB") and performed by a qualified Certified Public Accountant (submitted annually to County within 30 days of Contractor's receipt of financial statement); IRS form 990 and all supporting schedules (submit to County within 30 days of filing); notice to County of any tax delinquency including but not limited to property, sales, income, and payroll taxes (submit to County within 10 days of receipt of notice or knowledge of delinquency). All financial information shall be submitted to Shasta County Health and Human Services Agency, Business and Support Services, Attention: HHSA Fiscal Manager, P.O. Box 496005, Redding, CA 96049-6005. Contractor shall provide additional financial information as requested by County within 30 days of receiving such request. Contractor shall fully cooperate with County in providing any financial information and/or records requested by County concerning this agreement. This Section shall survive the termination, expiration or cancellation of this agreement for the period of time necessary to submit all required financial reporting to County as prescribed herein.

Section 32. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT.

The Parties acknowledge the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations ("HIPAA"). Contractor understands and agrees that, as a provider of medical treatment services, it is a "covered entity" under HIPAA and, as such, has obligations with respect to the confidentiality, privacy, and security of patients' medical information, and must take certain steps to preserve the confidentiality of this information, both internally and externally, including the training of staff and the establishment of proper procedures for the release of such information. The Parties acknowledge their separate and independent obligations with respect to HIPAA, and that such obligations relate to transactions and code sets, privacy, and security. Contractor understands and agrees that it is independently responsible for compliance with HIPAA and agrees to take all necessary actions to comply with the requirements of HIPAA related to transactions and code sets, privacy, and security. Contractor agrees that, should it fail to comply with its obligations under HIPAA, it shall indemnify and hold harmless County (including County's officers, employees, and agents), for damages that are attributable to such failure. The indemnification provided for in this section is in addition to, and does not in any way limit, the hold harmless, indemnification, and defense obligations of Contractor that are provided for in Section 12.

/SIGNATURE PAGE FOLLOWS/

IN WITNESS WHEREOF, County and Contractor have executed this agreement on the dates set forth below. By their signatures below, each signatory represents that he/she has the authority to execute this agreement and to bind the Party on whose behalf his/her execution is made.

COUNTY OF SHASTA

Date: _____

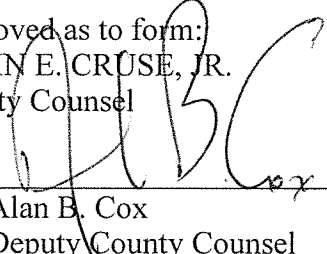
LEONARD MOTY, CHAIRMAN
Board of Supervisors
County of Shasta
State of California

ATTEST:

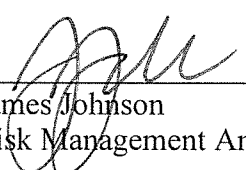
LAWRENCE G. LEES
Clerk of the Board of Supervisors

By: _____
Deputy

Approved as to form:
RUBIN E. CRUSE, JR.
County Counsel

By:  9/13/19
Alan B. Cox
Deputy County Counsel

RISK MANAGEMENT APPROVAL

By:  09/03/19
James Johnson
Risk Management Analyst

CONTRACTOR

Date: 9/13/2019


SHANNON GERIG
Chief Executive Officer

Tax I.D.#: On File

EXHIBIT A

MOUNTAIN VALLEYS HEALTH CENTERS BUDGET

Shasta County Health & Human Services Agency
1810 Market Street
Redding, CA 96001

Mountain Valleys Health Centers
P.O. Box 277, Bieber, CA 96099

Multi-Year Service Budgets

Budget Category		Budget Period 07/19 - 06/20	Budget Period 07/20 - 06/21	Budget Period 07/21 - 06/22	Total Budgeted Costs
Personnel/Position	FTE				
Psychologist/LCSW	1.00	75,000.00	77,250.00	79,567.50	231,817.50
MSW/LCSW					
Case Manager					
Fringe Benefits		12,550.00	12,926.50	13,314.30	38,790.80
Total Salary and Benefits		87,550.00	90,176.50	92,881.80	270,608.30
Operating Expenses					
Office Expenses/Supplies					
Equipment					
Rents/Leases					
Utilities/Communications					
Travel					
Software					
Total Operating Expenses		0.00	0.00	0.00	0.00
Other Expenses					
Fixed Assets					
Total Other Expenses		0.00	0.00	0.00	0.00
Total Expenses		87,550.00	90,176.50	92,881.80	270,608.30
Administrative Cost					
<i>(Not to exceed 15% of salaries)</i>					
Totals		\$87,550.00	\$90,176.50	\$92,881.80	\$270,608.30

FOR COUNTY USE ONLY:

Cost Center

Account Code

Project Code

Activity Code

Agr.AS.MHSA.MVHC.1922

2120-1-2019-01

CC40401/MH0001; VEND ID 004114

EXHIBIT B EXPENDITURE REPORT

Mountain Valleys Health Centers
P.O. Box 277.
Bieber, CA 96009

Check for final Report ☐

Date of Report

Term of Contract:

Period of Report

Budget Category (1)	Approved Budget (2)	This Period (3)	Previous Periods (4)	YTD (5)	Remaining Balance (6)
Personnel/Position					
Fringe Benefits					
Total Salary and Benefits					
Operating Expenses					
Office Expenses/Supplies					
Equipment					
Rents/Leases					
Utilities/Communications					
Travel					
(OTHER - Please Specify)					
Total Operating Expenses					
Other Expenses					
Fixed Assets					
(OTHER - Please Specify)					
Total Other Expenses					
Total Expenses					
Administrative Cost					
(Not to exceed 15% of salaries)					
Totals					

Invoice Total

\$,---.---

Prepared by: (type name here)

Date

Telephone #

<i>FOR COUNTY USE ONLY:</i>	
<i>Cost Center</i>	
<i>Account Code</i>	
<i>Project Code</i>	
<i>Activity Code</i>	

EXHIBIT C QUARTERLY PROGRESS REPORT

Mountain Valleys Health Centers Quarterly Progress Report

Months in Quarter (i.e. Jan – Mar):

Year:

Services

1. During this quarter, how many of the following types of mental health services did you provide?

Service Type	Number of Visits
Screenings	
Assessments	
Medication Management	
Individual Psychotherapy Sessions	

2. During this quarter, what types of case management did you provide?

Service Type	Number of Visits
SSI Application Assistance	
Medi-Cal Application Assistance	
Medicare Application Assistance	
Other: _____	
Other: _____	
Other: _____	

People

3. During this quarter, how many mental health related visits were there?
4. During this quarter, how many people (unique individuals) did you provide mental health treatment to?

For those people counted in number 4, please answer the following:

5. What was their payor source at the time of service?

Payor Source	Number Seen
CMSP	
Insurance	
Medi-Cal	
Medicare	
Private Pay	
Other	

EXHIBIT C
QUARTERLY PROGRESS REPORT

6. What was their age at the time of service?

Age	Number Seen
0-15	
16-25	
26-59	
60+	

7. What was their gender?

Gender	Number Seen
Male	
Female	
Transgender	
Other	

8. What was their race/ethnicity?

Race/Ethnicity	Number Seen
Caucasian	
African American	
Asian	
Pacific Islander	
Native American	
Hispanic	
Multirace	
Other	
Unknown	

9. What was their primary language spoken?

Primary Language	Number Seen
English	
Spanish	
Vietnamese	
Cantonese	
Mandarin	
Tagalog	
Cambodian	
Hmong	
Russian	
Farsi	
Arabic	
Other	

EXHIBIT C
QUARTERLY PROGRESS REPORT

10. Which cultures did they identify with?

Culture	Number Seen
Lesbian/Gay/Bisexual/Transgender/Questioning	
Veteran	
Homeless	
Other: _____	
Other: _____	
Other: _____	

11. What was their primary mental health diagnosis?

Diagnosis	Number Seen
ADHD/ADD	
Adjustment Disorders	
Bipolar Disorders	
Cognitive Disorders	
Depressive Disorders	
Disruptive Behavior Disorders	
Other Anxiety Disorders	
Personality Disorders	
Post-Traumatic Stress Disorder	
Psychotic Disorders (Not Schizophrenia)	
Schizophrenia	
Substance-Related Disorders	
Unspecified Diagnosis (non-psychotic)	
Other Conditions	
Other Disorders Usually Diagnosed in Childhood	
Deferred Mental Health Diagnosis	

12. How many people whose chief complaint is related to mental health also received physical health treatment?

13. How many people whose chief complaint is related to physical health also received mental health treatment?

14. How many had a co-occurring disorder of substance abuse and mental illness?

EXHIBIT C
QUARTERLY PROGRESS REPORT

15. How many referrals were made to the following types of organizations? We recognize that this will not add to what was reported in question 3 as people can be referred to more than one type of organization.

Type of Organization	Number Referred
Substance Abuse Treatment	
Employment Assistance	
Emergency Housing	
Recovery Support Services	
Education	
Other Support Services	

Referral Process

16. How many mental health related referrals did you receive from Shasta County Health and Human Services?
17. How many mental health related referrals did you accept from Shasta County Health and Human Services?

Overview

18. Please include any educational materials, audio visual aids, interviews with the press, flyers, or publications that pertain to activities outlined in the contract. The following statement should be included: "This activity (or program) has been funded by the County of Shasta through the California Mental Health Services Act."
19. Please provide a brief narrative of any barriers or issues with services and/or access that occurred during this past quarter.
20. Please provide a brief narrative of any successes or achievements experienced with services and/or access during this past quarter.

REPORT TO SHASTA COUNTY BOARD OF SUPERVISORS

BOARD MEETING DATE: September 10, 2019

CATEGORY: Consent - Health and Human Services-11.

SUBJECT:

Amendment to the Agreement with Partnership HealthPlan of California for Health Care Services

DEPARTMENT: Health and Human Services Agency-Adult Services

Supervisory District No. : All

DEPARTMENT CONTACT: Dean True, Branch Director, HHSA Adult Services (530) 225-5900

STAFF REPORT APPROVED BY: Donnell Ewert, Director, Health and Human Services Agency

Vote Required?	General Fund Impact?
Simple Majority Vote	No Additional General Fund Impact

RECOMMENDATION

Take the following actions regarding the evergreen Partnership HealthPlan of California agreement with no maximum compensation for the coordination and provision of Medi-Cal services in Shasta County: (1) Ratify the Branch Director’s signature on the first amendment effective December 4, 2014 which added pediatric immunizations and vaccination services; (2) ratify the Health and Human Services Agency Director’s signature on the second amendment effective January 6, 2016 which added supplemental substance abuse benefits; and (3) approve and authorize the Chairman to sign a retroactive amendment, effective July 1, 2019, which replaces Attachment D, Supplemental Substance Abuse Benefit Description, to add alcohol and drug treatment and prevention services, retaining the effective date September 1, 2013.

SUMMARY

Partnership HealthPlan of California (PHC) maintains contracts with the California Department of Health Care Services (DHCS) under which Medi-Cal beneficiaries (Beneficiaries) assigned to PHC receive medical services. These contracts provide the mechanism for counties to be reimbursed for Covered Services provided by counties to eligible Beneficiaries. This amendment is necessary due to changes in services allowable through DHCS funding for the delivery of alcohol and drug treatment and prevention services.

DISCUSSION

PHC was created in 1992 to serve as a managed health care plan for Beneficiaries. Effective September 1, 2013, DHCS implemented managed care through PHC for Medi-Cal covered populations in seven northern counties – Shasta, Humboldt, Del Norte, Trinity, Siskiyou, Modoc, and Lassen. PHC serves to link each Shasta County Beneficiary with a primary care provider, which improves health care access.

On August 27, 2013, the Board signed an agreement with PHC that enables the County to bill for certain Medi-Cal services through PHC. Billable services include public health medical services, such as immunizations, tuberculosis tests, and laboratory services, as well as certain enhanced drug and alcohol treatment services. The agreement enables the County to bill for these services in addition to any other medical services rendered to Beneficiaries that are not carve-outs of the agreement

between DHCS and PHC. Carve-out services provided by the County, rather than PHC, include specialty mental health services and general Drug Medi-Cal services. The agreement was amended on December 4, 2014 to add Attachment E, Pediatric Immunizations and Vaccinations, by Branch Director signature (First Amendment). The agreement was amended again on January 6, 2016 to add Attachment D, Supplemental Substance Abuse Benefit Description, by Agency Director signature. These amendments should have been presented to the Board for consideration and approval. Therefore, it is respectfully requested the Board ratify these signatures.

This third amendment is necessary due to changes in services allowable through DHCS funding for the delivery of alcohol and drug treatment and prevention services. With approval of this amendment, Drug Medi-Cal services billable to PHC will include assessments, individual and group counseling, education, and services incidental to these. Programs still funded and provided through Attachment D include Pre-treatment Readiness and Prevention, Outpatient Drug Free, and Continuous Recovery and Treatment.

With approval of the original agreement on August 27, 2013, the Board authorized the Health and Human Services Agency Director (Director) to execute prospective and retroactive amendments and other documents related to the agreement that do not result in a substantial or functional change to the original intent of the agreement. The changes made through this third amendment exceed the Director’s authority, therefore Board consideration and approval is required. The third amendment is retroactive due to the date department was notified by PHC of the changes to services covered by this amendment.

ALTERNATIVES

The Board could deny the ratification requests. The Board could choose not to approve the amendment; however, this option is not recommended as it would limit available reimbursement to support alcohol and drug treatment and prevention services to residents of Shasta County.

OTHER AGENCY INVOLVEMENT

County Counsel has approved the amendment as to form. Risk Management has approved the amendment. The Recommendation has been reviewed by the County Administrative Office.

FINANCING

There is no additional General Fund impact associated with this Recommendation.

ATTACHMENTS:

Description	Upload Date	Description
Third Amendment Attachment D-1	9/5/2019	Third Amendment Attachment D-1
Signature Ratification-Attachment D - Second Amendment	8/29/2019	Signature Ratification-Attachment D - Second Amendment
Signature Ratification-Attachment E - First Amendment	8/29/2019	Signature Ratification-Attachment E - First Amendment

**THIRD AMENDMENT TO THE HEALTH CARE SERVICES AGREEMENT
BETWEEN
PARTNERSHIP HEALTHPLAN OF CALIFORNIA
AND
THE COUNTY OF SHASTA**

This Amendment is entered into between Partnership HealthPlan of California, a public entity ("PARTNERSHIP"), and the County of Shasta, through its Health and Human Services Agency, a political subdivision of the State of California, ("PROVIDER").

RECITALS

WHEREAS, PARTNERSHIP and PROVIDER have previously entered into an agreement on August 30, 2013, effective September 1, 2013, for the provision of Covered Services to Medical Beneficiaries; ("Original Agreement"); and

WHEREAS, the Agreement was amended by a first amendment ("First Amendment") on and effective December 4, 2014, for the provision of Pediatric Immunizations and Vaccinations; and

WHEREAS, the Agreement was amended by a second amendment ("Second Amendment") on and effective January 6, 2016, for the provision of Supplemental Substance Abuse Benefits; and

WHEREAS, PARTNERSHIP and PROVIDER desire to amend the Agreement to make changes to Supplemental Substance Abuse Benefits, Attachment D.

NOW, THEREFORE, the Agreement is amended as follows:

- I. **ATTACHMENT D-1, SUPPLEMENTAL SUBSTANCE ABUSE BENEFIT, BENEFIT DESCRIPTION, EFFECTIVE JULY 1, 2019**, is attached to this Amendment and is deemed incorporated in the Agreement as of the effective date of this Amendment. **EXHIBIT D, SUPPLEMENTAL SUBSTANCE ABUSE BENEFIT, BENEFIT DESCRIPTION**, shall control from January 6, 2016, until the effective date of this Third Amendment.
- II. **REAFFIRMATION**

In all other respects, the Agreement, as amended, remains in full force and effect.

- III. **ENTIRE AGREEMENT**

The Agreement, as amended, and any attachments, constitute the entire understanding between PROVIDER and PARTNERSHIP.

IV. EFFECTIVE DATE

Unless otherwise provided, this Third Amendment shall be deemed effective July 1, 2019.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the Parties hereto have executed this Third Amendment to the Agreement. By their signatures below, each signatory represents that he/she has the authority to execute this Third Amendment and to bind the Party on whose behalf his/her execution is made.

PROVIDER

Date _____

LEONARD MOTY, Chairman
Board of Supervisors
County of Shasta
State of California

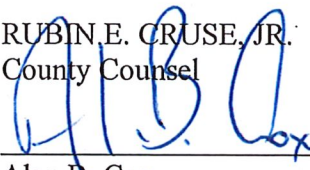
ATTEST:

LAWRENCE G. LEES
Clerk of the Board of Supervisors

By: _____

Approved as to form:

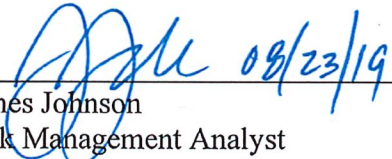
RUBIN E. CRUSE, JR.
County Counsel



Alan B. Cox
Deputy County Counsel

8/22/19

RISK MANAGEMENT APPROVAL



James Johnson
Risk Management Analyst

08/23/19

PARTNERSHIP

Date _____

ELIZABETH GIBBONEY
Chief Executive Office
Partnership HealthPlan of California

ATTACHMENT D-1
PARTNERSHIP HEALTHPLAN OF CALIFORNIA
SUPPLEMENTAL SUBSTANCE ABUSE BENEFIT
BENEFIT DESCRIPTION

EFFECTIVE JULY 1, 2019

Refer to the Provider Manual for additional billing criteria at www.Partnershiphp.org. The reimbursement rate below shall be for all eligible Covered Services.

Level of Care/Service	Benefit	Full Services	Partial Services
Pre-Treatment Readiness and Prevention Program H0001 \$40/session/ person	Up to 6 sessions, per person per episode* (1 - 1.5 hours to be provided per person, per session)	Assessment Counseling (Individual or Group) * Education	Prevention (6 sessions)
Outpatient Drug Free T1008 \$50/session/ person	Individual: 1 session per day, per person allowed (minimum of 50 minutes per session, per person to be provided). Up to 20 sessions per rolling*** year per person allowed.	Individual Counseling* Collateral Services**	
Continuous Recovery/ Treatment T1011 \$33/session/ person	Up to 3 sessions per week per person allowed (1-1.5 hours per session to be provided) up to 20 sessions max per episode. *	Regular process group Individual Counseling Education Support Groups Conjoint Therapy	

Notes:

1. An intake must be created on any PHC member who accesses the PHC Substance Abuse Benefit.
2. This matrix assumes that 7 days = 1 week, 4 weeks = 28 days, and 3 months = 84 days.
3. ** Indicates services to which individual counseling is limited.
4. * Episode is based on medical necessity.
5. * Group => 1 person, no limit on number of participants.
6. *** Rolling Year = 365 days from entry into first O.D.F. treatment. (revised 7/19/02)
7. Local codes were replaced with HCPCS 2003 codes to be HIPAA compliant, effective 6/1/03.

(*) The AODS Supplemental Benefit will be discontinued after 12/31/2020 at which time all Providers and/or Counties are expected to be participating in the DMC-ODS program.

Revised: 7/26/00, 7/19/02, 6/1/03, (June 1, 2005 to increase pre-treatment readiness to 6 sessions, from 3), 7/1/2019

ATTACHMENT D
TO THE HEALTH CARE SERVICES AGREEMENT
Between
PARTNERSHIP HEALTHPLAN OF CALIFORNIA
and
COUNTY OF SHASTA

This Health Care Services Agreement (Attachment D) is entered into this day of January, 2016 by Partnership Health Plan of California, a public entity (PARTNERSHIP) and between County of Shasta herein referred to as PROVIDER, a medical and/or health care services, supplies, or equipment provider licensed in the State of California, as applicable, and is eligible to participate in and meets the Standards of Participation of the Medi-Cal Program to provide services under the California Medi-Cal (Medicaid) Program, and meets applicable requirements under Title 22 CCR Section 51000 et. Seq., Titles XVII and XIX of the Social Services Act.

IN WITNESS WHEREOF, this subsequent Agreement (Attachment D) between PARTNERSHIP and Health Care Services PROVIDER is entered into and incorporated into the Health Care Services Agreement between Partnership HealthPlan and County of Shasta entered into on September 1, 2013, by and between the undersigned parties.

PROVIDER

County of Shasta

Health and Human Services Agency

Signature: 

Printed Name: Donnell Everett

Title: HHSA Director

Date: 12/18/15

Address for Noticed:

HHSA Business and Support Services

P.O. Box 496005

Redding, CA 96049-6005

Attn: Contracts Unit

PLAN

Partnership HealthPlan of California

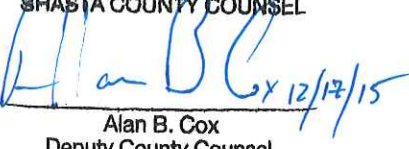
Signature: 

Printed Name: Elizabeth Gibboney

Title: CEO

Date: January 6, 2016

APPROVED AS TO FORM
SHASTA COUNTY COUNSEL



Alan B. Cox
Deputy County Counsel

ATTACHMENT D
PARTNERSHIP HEALTHPLAN OF CALIFORNIA
SUPPLEMENTAL SUBSTANCE ABUSE BENEFIT
BENEFIT DESCRIPTION

[illegible]

H0015 + modifier TH (Perinatal) \$81/session H0015 (Non-Perinatal) \$66/session		Crisis Intervention Education <i>(These services are available to females who are at least 61 days postpartum and males/females who are not between the ages of 13-21 as they do not have access to Drug Medi-Cal benefits.)</i>	<i>for females 60 days postpartum and teens 13-21 years old).</i>
Outpatient Drug Free T1008 \$50/session/ person T1008 + modifier HQ \$35/person for group sessions	Individual: 1 session per day, per person allowed (minimum of 50 minutes per session, per person to be provided). Up to 20 sessions per rolling*** year per person allowed. Group: 1 session per day, per person allowed (minimum of 90 minutes per session). Up to 48 sessions per rolling*** year per person allowed.	Individual Counseling* Collateral Services** Group Counseling	
Continuous Recovery/ Treatment T1011 \$ 33/session/ person	up to 3 sessions per week per person allowed (1-1.5 hours per session to be provided) up to 20 sessions max per episode.*	Regular process group Individual Counseling Education Support Groups Conjoint Therapy	
Family and Codependency	1 session per week up to 4 sessions max	Education	

Program	per episode per Family Unit or Significant Other* 1-2 hours per session, then referral to al/nar anon.		
T1006 \$ 40/session/ family unit	<i>(Only the Family Unit will participate, not the member. Any authorization would be created under the members name).</i>		

Notes:

1. An intake must be created on any PHC member who accesses the PHC Substance Abuse Benefit.
2. This matrix assumes that 7 days = 1 week, 4 weeks = 28 days, and 3 months = 84 days.
3. ** Indicates services to which individual counseling is limited.
4. * Episode is based on medical necessity.
5. * Group => 1 person, no limit on number of participants.
6. *** Rolling Year = 365 days from entry into first O.D.F. treatment. (revised 7/19/02)
7. Local codes were replaced with HCPCS 2003 codes to be HIPAA compliant, effective 6/1/03.

Revised: 7/26/00, 7/19/02, 6/1/03, (June 1, 2005 to increase pre-treatment readiness to 6 sessions, from 3)

ATTACHMENT E
TO THE HEALTH CARE SERVICES AGREEMENT
Between
PARTNERSHIP HEALTHPLAN OF CALIFORNIA
and
COUNTY OF SHASTA (name of county)

This Health Care Services Agreement (Attachment E) is entered into this day of September, 2014, by Partnership Health Plan of California, a public entity (PARTNERSHIP) and between County of Shasta (please print) herein referred to as PROVIDER, a medical and/or health care services, supplies, or equipment provider licensed in the State of California, as applicable, and is eligible to participate in and meets the Standards of Participation of the Medi-Cal Program to provide services under the California Medi-Cal (Medicaid) Program and meets applicable requirements under Title 22 CCR Section 51000 et. seq., Titles XVII and XIX of the Social Services Act.

IN WITNESS WHEREOF, this subsequent Agreement (Attachment E) between PARTNERSHIP and Health Care Services PROVIDER is entered into by and between the undersigned parties.

PROVIDER

County of Shasta
Health & Human Services Agency
Public Health

Signature: _____

Printed Name: Terri Fields Hosler

Title: Branch Director

Date: 10/15/14

PLAN

Partnership HealthPlan of California

Signature: _____

Printed Name: Elizabeth Gibbney

Title: COO

Date: 12/4/14

Address for Noticed:

HHSA Business & Support Services

P.O. Box 496005

Redding, CA 96049-6005

Attn: Contracts Unit

APPROVED AS TO FORM
SHASTA COUNTY COUNSEL

James F. Ross
Assistant County Counsel

ATTACHMENT E
PEDIATRIC IMMUNIZATIONS AND VACCINATIONS

PROVIDER acknowledges that the administration of pediatric immunizations and vaccinations is the responsibility of the child's Primary Care Provider (PCP), and the service must be provided in accordance with the treatment and administration of care provided by the Primary Care Provider. However, in some circumstances the PCP may not be able to provide the necessary vaccination or immunization on a timely basis. These circumstances include:

- Insufficient access to the PCP; and/or
- Insufficient supplying of the immunization/vaccine such that the PCP is unable to provide the service.

In these circumstances, PROVIDER may administer the vaccine or immunization and Partnership will reimburse the PROVIDER for these services, under the following conditions:

- (1) PROVIDER supplies Partnership with documentation verifying that PROVIDER is an approved CHDP provider for the purpose of administering vaccines and immunizations;
- (2) PROVIDER seeks reimbursement by the submission of a complete PM 160 form;
- (3) PROVIDER verifies that the child's PCP has been notified of the treatment in a timely manner;
- (4) PROVIDER provides PLAN with written verification of its acknowledgement of the lack of sufficient access to the vaccines or immunizations, after review of PROVIDER'S submission of documentation of this lack of access through one or more of the following:
 - a. Reports from the Statewide Immunization Registry showing that children in PROVIDER's county have significantly lower than average rates of vaccination/immunization;
 - b. Reports from the county's school districts documenting significantly reduced rates of immunization/vaccination.

PROVIDER may submit alternative document for Partnership's review and consideration.

- (5) Letters of support or other documentation from PCPs whose members will be receiving vaccinations/immunizations from PROVIDER.

PROVIDER and PLAN agree that the circumstances under which this Attachment applies may change over time. The documentation, and Partnership's approval of this attachment, will be renewed every six months.

REPORT TO SHASTA COUNTY BOARD OF SUPERVISORS

BOARD MEETING DATE: September 10, 2019

CATEGORY: Consent - Health and Human Services-12.

SUBJECT:

Loan Subordination Agreement for Woodlands II

DEPARTMENT: Health and Human Services Agency-Office of the Director

Supervisory District No. : All

DEPARTMENT CONTACT: Donnell Ewert, Director, Health and Human Services Agency (530) 245-6269

STAFF REPORT APPROVED BY: Donnell Ewert, Director, Health and Human Services Agency

Vote Required?	General Fund Impact?
Simple Majority Vote	No General Fund Impact

RECOMMENDATION

Ratify the Health and Human Services Agency Director's signature on a subordination agreement with California Housing Finance Agency (Cal HFA), effective August 27, 2019, to allow County's Mental Health Services Act loan documents priority over Cal HFA loan documents for the Woodlands II permanent supportive housing project.

SUMMARY

N/A

DISCUSSION

On August 13, 2019, the Board of Supervisors approved a \$1,000,000 loan from County Mental Health Services Act funds (County Loan Documents) to partially finance The Woodlands II permanent supportive housing project, developed by PC Redding Apartments Limited Partnership (PCRAII), and a subordination agreement with Banner Bank. However, it was later identified by the California Housing Finance Agency (Cal HFA) and PCRAII that an additional subordination agreement is required to ensure that the County Loan has higher priority for repayment over the Cal HFA loan. In order to avoid delay of escrow closing, the Health and Human Services Agency Director signed the Cal HFA subordination agreement on August 28, 2019, and the department is now requesting the Board ratifies his signature.

ALTERNATIVES

The Board could choose to deny the ratification request.

OTHER AGENCY INVOLVEMENT

County Counsel has approved the agreement as to form. Risk Management has approved the agreement. The Recommendation has been reviewed by the County Administrative Office.

FINANCING

The Woodlands II project does not utilize General Fund. There is no General Fund impact associated with this Recommendation.

ATTACHMENTS:

Description	Upload Date	Description
Cal HFA Subordination Agreement	8/29/2019	Cal HFA Subordination Agreement

**FREE RECORDING REQUESTED
PURSUANT TO GOVERNMENT CODE
SECTION 27383**

Recording requested by and
when recorded return to:

County of Shasta)
Health & Human Services Agency)
1810 Market Street)
Redding, CA 96001)

(space above this line for Recorder's use)

SUBORDINATION AGREEMENT
SNHP LOAN TO COUNTY LOAN

**NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR
SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO
AND OF LOWER PRIORITY THAN THE LIEN(S) OF SOME OTHER
OR LATER SECURITY INSTRUMENT.**

THIS AGREEMENT dated as of August 27, 2019 for informational purposes, is entered into by and between County of Shasta (the "**County**"), PC Redding Apartments II Limited Partnership, a California limited partnership (the "**Borrower**"), and the California Housing Finance Agency ("**Agency**") a public instrumentality and political subdivision of the State of California in connection with a loan by the Agency to Borrower to finance a multifamily residential rental housing project on real property located in the City of Redding, County of Shasta, California and more particularly described on **Exhibit A** attached hereto and incorporated herein by this reference ("**Project**"). Unless otherwise noted, references to instruments recorded in "**Official Records**" refer to instruments recorded in the Office of the County Recorder of the County of Shasta.

R E C I T A L S

A. WHEREAS, the Agency is making, contemporaneously with the making of this Agreement, a loan to Borrower (the "**Agency Loan**"). The Agency Loan is evidenced by a promissory note (the "**SNHP Promissory Note**") from the Borrower to the Agency in the face amount of Six Hundred One Thousand Six Hundred Eight and No/100s Dollars (\$601,608.00) secured by that certain SNHP Deed of Trust With Assignment of Rents, Security Agreement and Fixture Filing, CalHFA Development Number 18-015-M executed by Borrower, as trustor, to First American Title Insurance Company, as trustee, in favor of the Agency, as beneficiary, dated as of August 1, 2019 (the "**SNHP Deed of Trust**") to be recorded in the Official Records contemporaneously with this Agreement. The Project shall also be regulated and encumbered by that certain SNHP Regulatory Agreement, CalHFA Development No. 18-015-M executed by Borrower and the Agency dated as of August 1, 2019 (the "**SNHP Regulatory Agreement**") to be recorded in the Official Records contemporaneously with this

Agreement. The SNHP Regulatory Agreement, the SNHP Deed of Trust, and the SNHP Promissory Note shall hereafter be collectively referred to herein as the “**Agency Loan Documents**”

B. WHEREAS, the County is making, contemporaneously with the making of this Agreement, a loan to Borrower (the “**County Loan**”). The County Loan is evidenced by a promissory note (the “**County Promissory Note**”) from the Borrower to the County in the face amount of One Million and No/100s Dollars (\$1,000,000) secured by a deed of trust. The deed of trust was executed by Borrower, as trustor, to First American Title Insurance Company, as trustee, in favor of the County, as beneficiary, dated as of _____, 2019 (the “**County Deed of Trust**”) to be recorded in the Official Records contemporaneously with this Agreement. The Project shall also be regulated and encumbered by a that certain Regulatory Agreement (Woodland II Project) executed by Borrower and the County dated as of _____, 2019 (the “**County Regulatory Agreement**”) to be recorded in the Official Records contemporaneously with this Agreement. The County Promissory Note, the County Regulatory Agreement and the County Deed of Trust shall hereafter be collectively referred to herein as the “**County Loan Documents**”;

C. WHEREAS, it is a condition precedent to the County making the County Loan that the County Loan Documents have priority over the Agency Loan Documents; and

D. WHEREAS, it is beneficial to all parties that the County make the County Loan, and the parties are willing to subordinate the Agency Loan Documents in order that the County Loan be made.

NOW THEREFORE, In consideration of the foregoing and other consideration the receipt and sufficiency of which are hereby acknowledged, and in order to induce the Agency to make the SNHP Loan, the parties hereto agree as follows:

1. Subordination of Agency Documents.

(a) The Agency and Borrower hereby unconditionally subordinate the Agency Loan Documents to the County Loan Documents, including all extensions, modifications, amendments, incremental disbursements of the original amount of the County Loan if made during construction, or additional advances made thereunder. Hereafter, the County Loan Documents shall unconditionally be, and remain at all times, liens and encumbrances on the Project prior and superior to the encumbrances of the Agency Loan Documents and to all rights and privileges of the parties thereunder, and the liens and encumbrances of the Agency Loan Documents together with all rights and privileges of the parties thereunder shall hereby be subject to and made subordinate to the liens and encumbrances of the County Loan Documents. In the event of a judicial or non-judicial foreclosure of the County Loan Documents, the lien of the Agency Loan Documents shall be extinguished.

(b) The County agrees that it shall use its best efforts to provide the Agency with a copy of all initial notices of default provided to Borrower under the County Loan Documents, provided, the County shall have no liability to the Agency and/or Borrower for its failure to do so, nor shall failure to do so constitute grounds for any restraining order, injunction, or other prohibition against or delay in the County's exercise of its remedies under the County Loan Documents. The County shall not record a Notice of Default related to such initial notice during the period of ninety (90) days after the date of such initial notice if such notice relates to a nonmonetary default or defaults under the County Loan Documents. During the term of such period the Agency shall have the right, but not the obligation, to cure any nonmonetary default under such initial notice. Notwithstanding the foregoing, if at any time

following the date of the initial notice, there shall occur or be continuing a default in the payment of any amount due to the County under the County Loan Documents, the County shall have the right to, and in its sole discretion may, record a Notice of Default and proceed to foreclosure based upon any such nonpayment regardless of any extended cure period with respect to nonmonetary defaults.

(c) The Agency has read, understands and approves the County Loan Documents and agrees to be bound thereby in the event of its foreclosure or acquisition of the Project.

(d) Until repayment in full of the County Loan, Agency shall not initiate or join in the filing of an involuntary petition under Title 11 of the United States Code entitled "Bankruptcy" (as now or hereafter in effect, or any successor thereto, the "*Bankruptcy Code*") or the commencement of any other receivership, insolvency, liquidation, readjustment, reorganization, or similar proceeding against Borrower, or take any action prejudicial or inconsistent with the priority position of the County Loan Documents over the Agency Loan Documents.

2. Attorneys Fees & Costs. If any party shall take any action to enforce or otherwise relating to this Agreement, the prevailing party or parties shall be entitled to recover reasonable attorney's fees and costs from the other party or parties.

3. Amendments. Amendments to this Agreement shall be in writing and signed by all the parties hereto.

4. Governing Law. This Agreement shall be construed in accordance with and be governed by the laws of the State of California.

5. Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

6. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, it shall not invalidate or render unenforceable any other part of this Agreement.

NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN, A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND.

[SIGNATURES ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

BORROWER:

COUNTY:

PC REDDING APARTMENTS II LIMITED PARTNERSHIP, a California limited partnership

SHASTA COUNTY, a political subdivision of the State of California

By: **PC Redding Developers LLC II, a California Limited Liability Company**

Its: Administrative General Partner

By: **Palm Communities**, a California Corporation

Its: Managing Member

By: _____

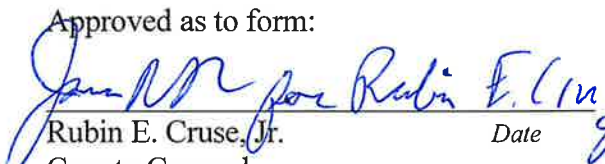
Name: Danavon L. Horn

Its: President



Donnell Ewert, M.P.H., Director
Health and Human Services Agency

Approved as to form:



Rubin E. Cruse, Jr. Date *gn*
County Counsel

By: **Northern Valley Catholic Social Service, Inc.**, a California nonprofit public benefit corporation

Its: Managing General Partner

By: 

Name: Roberta Lee Sawtelle

Its: Housing Director

RISK MANAGEMENT APPROVAL



James Johnson Date *08/28/19*
Risk Management Analyst

AGENCY:

CALIFORNIA HOUSING FINANCE AGENCY, a public instrumentality and political subdivision of the State of California

By: _____

Name: _____

Title: _____

ACKNOWLEDGEMENTS

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

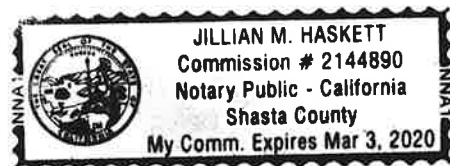
State of California)
) ss.
County of Shasta)

On 8/28/2019 before me, Jillian M. Haskett, a Notary Public, personally appeared Donnell Ewert, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Jillian M Haskett
Signature (Seal)



ACKNOWLEDGEMENTS

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
) ss.
County of Shasta)

On 08/28/2019 before me, Jillian M. Haskett, a Notary Public, personally appeared Roberta Sawtelle, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Jillian M. Haskett
(Signature) (Seal)



IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

BORROWER:

COUNTY:

PC REDDING APARTMENTS II LIMITED PARTNERSHIP, a California limited partnership

SHASTA COUNTY, a political subdivision of the State of California

By: **PC Redding Developers LLC II, a California Limited Liability Company**

Its: Administrative General Partner

Donnell Ewert, M.P.H., Director
Health and Human Services Agency

By: **Palm Communities**, a California Corporation

Its: Managing Member

Approved as to form:

By: _____
Name: Danavon L. Horn
Its: President

Rubin E. Cruse, Jr. *Date*
County Counsel

By: **Northern Valley Catholic Social Service, Inc.**, a California nonprofit public benefit corporation

Its: Managing General Partner

RISK MANAGEMENT APPROVAL

By: _____
Name: Roberta Lee Sawtelle
Its: Housing Director

James Johnson *Date*
Risk Management Analyst

AGENCY:

CALIFORNIA HOUSING FINANCE AGENCY, a public instrumentality and political subdivision of the State of California

By: _____
Name: _____
Title: _____

ACKNOWLEDGEMENTS

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
) ss.
County of Orange)

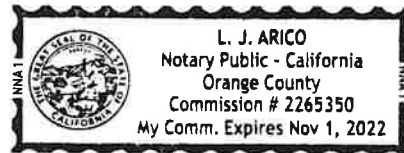
On August 27, 2019 before me, LJ Arico, a Notary Public, personally appeared Danavon L. Horn

_____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~(s)~~ are subscribed to the within instrument and acknowledged to me that ~~he/she/they~~ executed the same in ~~(his/her/their)~~ authorized capacity(ies), and that by ~~his/her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

LJ Arico
Signature _____ (Seal)



IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

BORROWER:

COUNTY:

PC REDDING APARTMENTS II LIMITED PARTNERSHIP, a California limited partnership

SHASTA COUNTY, a political subdivision of the State of California

By: **PC Redding Developers LLC II, a California Limited Liability Company**

Its: Administrative General Partner

Donnell Ewert, M.P.H., Director
Health and Human Services Agency

By: **Palm Communities**, a California Corporation

Its: Managing Member

Approved as to form:

By: _____
Name: Danavon L. Horn
Its: President

Rubin E. Cruse, Jr. *Date*
County Counsel

By: **Northern Valley Catholic Social Service, Inc.**, a California nonprofit public benefit corporation

Its: Managing General Partner

RISK MANAGEMENT APPROVAL

By: _____
Name: Roberta Lee Sawtelle
Its: Housing Director

James Johnson *Date*
Risk Management Analyst

AGENCY:

CALIFORNIA HOUSING FINANCE AGENCY, a public instrumentality and political subdivision of the State of California

By: _____
Name: _____
Title: Donald Cavier
Chief Deputy Director
California Housing Finance Agency

ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
) ss.
County of Sacramento)

On August 28, 2019, before me, Julie Dunann, a Notary Public, personally appeared DONALD CAVIER, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) **IS**/are subscribed to the within instrument and acknowledged to me that **HE**/she/they executed the same in **HIS**/her/their authorized capacity(ies), and that by **HIS**/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: Julie Dunann

Name: Julie Dunann

(Seal)



EXHIBIT A

Legal Description of Property

Real property in the City of Redding, County of Shasta, State of California, described as follows:

PARCEL A:

PARCEL 2 OF PARCEL MAP NO. PM-2018-01138, AS SHOWN BY PARCEL MAP ON FILE IN BOOK 39 PAGES 71 THROUGH 73, INCLUSIVE, OF PARCEL MAPS, RECORDS OF SHASTA COUNTY, CALIFORNIA.

PARCEL B:

NON-EXCLUSIVE EASEMENTS FOR PARKING AND ACCESS AS DESCRIBED IN DOCUMENT ENTITLED "SHARED PARKING AND RECIPROCAL ACCESS EASEMENT AGREEMENT", RECORDED NOVEMBER 25, 2015 AS INSTRUMENT NO. 20150035065, OFFICIAL RECORDS OF SHASTA COUNTY, CALIFORNIA.

APN: Portions of 108-350-063

REPORT TO SHASTA COUNTY BOARD OF SUPERVISORS

BOARD MEETING DATE: September 10, 2019

CATEGORY: Consent - Health and Human Services-13.

SUBJECT:

Agreement with California Department of Public Health to Provide Women, Infants, and Children Supplemental Nutrition Program Services

DEPARTMENT: Health and Human Services Agency-Regional Services

Supervisory District No. : All

DEPARTMENT CONTACT: Melissa Janulewicz, Branch Director, HHSA Regional Services (530) 245-7638

STAFF REPORT APPROVED BY: Melissa Janulewicz, Branch Director, HHSA Regional Services

Vote Required?	General Fund Impact?
Simple Majority Vote	No Additional General Fund Impact

RECOMMENDATION

Approve and authorize the: (1) Chairman to sign: (a) a renewal agreement, Number 19-10189, with the California Department of Public Health (CDPH) in an amount not to exceed \$5,412,066 to continue funding for the operation of the Women, Infants, and Children (WIC) Supplemental Nutrition Program for the period October 1, 2019 through September 30, 2022; (b) the California Civil Rights Laws Attachment (CDG OLS 04); and (c) the Contractor Certification Clause (CCC 04/2017); and (2) Health and Human Services Agency (HHSA) Director, or any HHSA Branch Director designated by the HHSA Director, to sign amendments, including retroactive, and other related documents that do not result in a change of more than fifteen percent of the maximum amount payable under this agreement, and to execute the CDPH Contractor's release form at the end of the contract term.

SUMMARY

Approval of this agreement will allow HHSA Regional Services WIC Program to continue to provide nutrition counseling and education, breastfeeding promotion and support, medical care referrals, and benefits for nutritious foods for income eligible Shasta County families.

DISCUSSION

Since 1975, the Shasta County WIC Program has provided nutritional counseling and supplemental food vouchers for nutritious foods to pregnant, postpartum and breastfeeding women, their infants and children under the age of five who are at or below 185 percent of the federal poverty level. The WIC Program also provides nutrition and health education classes focusing on health issues for families with young children; personal nutrition counseling; breastfeeding promotion, support and assistance; and referrals to health care and community-based assistance agencies. The WIC Program serves families in seven different locations throughout the county including Shasta Lake, Anderson, Shingletown, Burney, McArthur, Enterprise and Downtown Redding.

Since 2016, WIC has served 194,438 Participants of which there were 10,857 new families served. In Federal Fiscal Year 2017 through 2019 WIC Vouchers for Shasta County Participants totaling \$5,647,999 were redeemed on nutritious foods for pregnant, postpartum, and breastfeeding women, their infants and children under the age of five. Other activities provided by the WIC Program include administering the Farmers Market Nutrition Program, participating with local collaborative groups such as the Shasta Food Group and Project Homeless Connect in their efforts to ensure no one in our community goes hungry; infrastructure development and integration of services to increase access and quality of WIC services; and maintaining efforts aimed at increasing target population access to the WIC Program through outreach.

ALTERNATIVES

The Board could choose not to approve the agreement.

OTHER AGENCY INVOLVEMENT

County Counsel has approved the agreement as to form. Risk Management has approved the agreement. The Recommendation has been reviewed by the County Administrative Office.

FINANCING

WIC Supplemental Nutrition funds are a federal appropriation passed on to Shasta County from CDPH. Revenue and related expenses for this agreement were included in HHSA Public Health’s Fiscal Year 2019-20 Adopted Budget and will be included in future fiscal year budget requests. There is no additional General Fund impact associated with this Recommendation.

-

ATTACHMENTS:

Description	Upload Date	Description
HHSA RS CDPH WIC Funding	8/29/2019	HHSA RS CDPH WIC Funding

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 03/2019)

AGREEMENT NUMBER

19-10189

PURCHASING AUTHORITY NUMBER (If Applicable)

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

California Department of Public Health

CONTRACTOR NAME

County of Shasta through its Health and Human Services Agency

2. The term of this Agreement is:

START DATE

October 1, 2019

THROUGH END DATE

September 30, 2022

3. The maximum amount of this Agreement is:

\$5,412,066.00 Five Million Four Hundred Twelve Thousand Sixty-Six Dollars

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

EXHIBITS	TITLE	PAGES
Exhibit A	Scope of Work	17
Attachment I	Statement of Work, Services to be Performed	9
Attachment II	Template Service Agreement for Third Party Entity's Data Reporting System	6
Exhibit B	Budget Detail and Payment Provisions	4
Attachment I	Budget Detail Worksheet	1
Attachment II	Facility Cost Worksheet	1
Exhibit C *	General Terms and Conditions (GTC 04/2017)	GTC
Exhibit D	Special Terms and Conditions	16
Exhibit E	Additional Provisions	6
Exhibit F	Federal Terms and Conditions	12
Exhibit G	Information Privacy and Security Requirements	13
Exhibit H	Contractor's Release	1

Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto.

These documents can be viewed at <https://www.dgs.ca.gov/OLS/Resources>

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

County of Shasta through its Health and Human Services Agency

CONTRACTOR BUSINESS ADDRESS

P.O. Box 496005

CITY

Redding

STATE

CA

ZIP

96049

PRINTED NAME OF PERSON SIGNING

Leonard Moty

TITLE

Chairman of the Board

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

APPROVED AS TO FORM
SHASTA COUNTY COUNSELAlan B. Cox
Deputy County Counsel

Page 241 of 432

RISK MANAGEMENT APPROVAL

BY:

James Johnson

Risk Management Analyst

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 03/2019)

AGREEMENT NUMBER

19-10189

PURCHASING AUTHORITY NUMBER (If Applicable)

STATE OF CALIFORNIA

CONTRACTING AGENCY NAME

California Department of Public Health

CONTRACTING AGENCY ADDRESS

1616 Capitol Avenue, Suite 74.262, MS 1802, PO Box 997377

CITY

Sacramento

STATE

CA

ZIP

95899

PRINTED NAME OF PERSON SIGNING

Jeffrey Mapes

TITLE

Chief, Contracts Management Unit

CONTRACTING AGENCY AUTHORIZED SIGNATURE

DATE SIGNED

CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL

EXEMPTION (If Applicable)

STATE OF CALIFORNIA

CALIFORNIA CIVIL RIGHTS LAWS ATTACHMENT

DGS OLS 04 (Rev. 01/17)

DEPARTMENT OF GENERAL SERVICES

OFFICE OF LEGAL SERVICES

Pursuant to Public Contract Code section 2010, a person that submits a bid or proposal to, or otherwise proposes to enter into or renew a contract with, a state agency with respect to any contract in the amount of \$100,000 or above shall certify, under penalty perjury, at the time the bid or proposal is submitted or the contract is renewed, all of the following:

1. CALIFORNIA CIVIL RIGHTS LAWS: For contracts executed or renewed after January 1, 2017, the contractor certifies compliance with the Unruh Civil Rights Act (Section 51 of the Civil Code) and the Fair Employment and Housing Act (Section 12960 of the Government Code); and
2. EMPLOYER DISCRIMINATORY POLICIES: For contracts executed or renewed after January 1, 2017, if a Contractor has an internal policy against a sovereign nation or peoples recognized by the United States government, the Contractor certifies that such policies are not used in violation of the Unruh Civil Rights Act (Section 51 of the Civil Code) or the Fair Employment and Housing Act (Section 12960 of the Government Code).

CERTIFICATION

I, the official named below, certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.		<i>Federal ID Number</i>
<i>Proposer/Bidder Firm Name (Printed)</i> Shasta County		94-6000535
<i>By (Authorized Signature)</i>		
<i>Printed Name and Title of Person Signing</i> Leonard Moty, Chairman, Board of Supervisors		
<i>Date Executed</i>	<i>Executed in the County and State of</i> Shasta California	

Contractor Certification Clause

CCC 04/2017

CERTIFICATION

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

Contractor/Bidder Firm Name (Printed)	Federal ID Number
Shasta County	94-6000535

By (Authorized Signature)

Printed Name and Title of Person Signing

Leonard Moty, Chairman, Board of Supervisors, County of Shasta, State of CA

Date Executed	Executed in the County of
	Shasta

CONTRACTOR CERTIFICATION CLAUSES

STATEMENT OF COMPLIANCE:

Contractor has, unless exempted, complied with the nondiscrimination program requirements. (GC 12990 (a-f) and CCR, Title 2, Section 8103) (Not applicable to public entities.)

DRUG-FREE WORKPLACE REQUIREMENTS:

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

- a) Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
- b) Establish a Drug-Free Awareness Program to inform employees about:
 1. the dangers of drug abuse in the workplace;
 2. the person's or organization's policy of maintaining a drug-free workplace;
 3. any available counseling, rehabilitation and employee assistance programs; and,

4. penalties that may be imposed upon employees for drug abuse violations.
- c) Provide that every employee who works on the proposed Agreement will:
1. receive a copy of the company's drug-free policy statement; and,
 2. agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

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

NATIONAL LABOR RELATIONS BOARD CERTIFICATION:

Contractor certifies that no more than one (1) 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 a Federal court which orders Contractor to comply with an order of the National Labor Relations Board. (PCC 10296) (Not applicable to public entities.)

CONTRACTS FOR LEGAL SERVICES \$50,000 OR MORE- PRO BONO REQUIREMENT:

Contractor hereby certifies that contractor will comply with the requirements of Section 6072 of the Business and Professions Code, effective January 1, 2003.

Contractor agrees to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the contract equal to the lesser of 30 multiplied by the number of full time attorneys in the firm's offices in the State, with the number of hours prorated on an actual day basis for any contract period of less than a full year or 10% of its contract with the State.

Failure to make a good faith effort may be cause for non-renewal of a state contract for legal services, and may be taken into account when determining the award of future contracts with the State for legal services.

EXPATRIATE CORPORATIONS:

Contractor hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286 and 10286.1, and is eligible to contract with the State of California.

SWEATFREE CODE OF CONDUCT:

- a. All Contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in

whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations [website](#) and Public Contract Code Section 6108.

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

DOMESTIC PARTNERS:

For contracts of \$100,000 or more, Contractor certifies that Contractor is in compliance with Public Contract Code section 10295.3.

GENDER IDENTITY:

For contracts of \$100,000 or more, Contractor certifies that Contractor is in compliance with Public Contract Code section 10295.35.

DOING BUSINESS WITH THE STATE OF CALIFORNIA

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

CONFLICT OF INTEREST:

Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

a) Current State Employees (PCC 10410):

1. No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
2. No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

b) Former State Employees (PCC 10411):

1. For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-

making process relevant to the contract while employed in any capacity by any state agency.

2. For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (PCC 10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (PCC 10430 (e))

LABOR CODE/WORKERS' COMPENSATION:

Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)

AMERICANS WITH DISABILITIES ACT:

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

CONTRACTOR NAME CHANGE:

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

CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:

- a) When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the contractor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.
- b) "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the state not be subject to the franchise tax.
- c) Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good

standing by calling the Office of the Secretary of State.

RESOLUTION:

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

AIR OR WATER POLLUTION VIOLATION:

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

PAYEE DATA RECORD FORM STD. 204:

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

Exhibit A
Scope of Work

1. Service Overview

- A. The Contractor agrees to provide to the California Department of Public Health, Special Supplemental Nutrition Program for Women, Infants and Children (CDPH/WIC) Division, the direct services at the local level described herein to operate the WIC Program. The Contractor agrees to comply with all fiscal, administrative and operational requirements as outlined in Federal and State statutes, regulations, policies and procedures, and other communications from the CDPH/WIC Division.
- B. The CDPH/WIC Division administers funds provided by the United States Department of Agriculture (USDA), Food and Nutrition Service (FNS) for the operation of the WIC Program, which includes separate funding grants for the Breastfeeding Peer Counseling Program (BFPC), and the Farmers' Market Nutrition Program (FMNP) for the State of California. These USDA funded nutrition programs are discretionary, and each provides a specific service to women, infants, and children who are low income and at nutritional risk. The overall goal of the WIC Program is to improve the health status of eligible participants by providing nutritious foods to supplement diets, information on healthy eating, breastfeeding support and referrals to health care services.
- C. The purpose of this contract is to provide funds and expectations to support the delivery of services and benefits of the WIC Program to eligible participants through qualified community agencies.
- D. The terms of this contract are derived from applicable Federal and State statutes, regulations, policies and procedures as detailed in Exhibit E, Provision 1.
- E. The CDPH/WIC Division's Catalog of Federal Domestic Assistance (CFDA) Number is 10.557. The CDPH/WIC Division's CDFA Program Title is Special Supplemental Nutrition Program for Women, Infants and Children.

2. Service Location

- A. The services shall be provided at authorized WIC Sites within each Contractor's service area, as listed in Exhibit B, Attachment II of this Agreement. The Contractor may serve participants who do not live in the service area, at the participant's request, for reasons related to participant convenience or necessity, such as a preference to attend a WIC site near the participant's place of employment. The CDPH/WIC Division may modify an existing service area to reflect changing business needs and demographics by notifying the Contractor in writing.
- B. The Contractor agrees to provide WIC Program services in the following service area to:

Eligible California residents of Shasta County, including the cities of Redding and Anderson.

3. Service Hours

- A. The services shall be provided during the Contractor's normal business hours in addition to extended hours of operation to accommodate the needs of working and student applicants/participants, in accordance with the WIC Policy and Procedure Manual (WPPM) 530-10.
- B. When business hours of operation change for WIC Sites, the Contractor shall submit notification to the CDPH/WIC Division Contract Manager in writing at least 30 days in advance. The Contract Manager will ensure that the WIC Site listing, and the WIC Web Information System Exchange (WIC WISE) is updated.

Exhibit A
Scope of Work

4. Project Representatives

A. The project representatives during the term of this agreement will be:

California Department of Public Health	County of Shasta through its Health and Human Services Agency
Paul Melnikov, Contract Manager Telephone: (916) 928-8616 Fax: (916) 263-3314 E-mail: paul.melnikov@cdph.ca.gov	Donnell Ewert, MPH, Director – County of Shasta, Health and Human Services Agency Telephone: (530) 245-6269 Fax: (530) 225-5903 E-mail: dewert@co.shasta.ca.us

B. Direct all inquiries to:

California Department of Public Health	County of Shasta through its Health and Human Services Agency
CDPH/WIC Division Attention: Paul Melnikov, Contract Manager Local Services Branch 3901 Lennane Drive Sacramento, CA 95834 Telephone: (916) 928-8616 Fax: (916) 263-3314 E-mail: paul.melnikov@cdph.ca.gov	Attention: Nayan Patel, RD,MAS, Public Health Program Manager 1670 Market Street, Suite 300 Redding, CA 96001 Telephone: (530) 245-6787 Fax: (530) 225-5722 E-mail: npatel@co.shasta.ca.us

C. All payments from CDPH to the Contractor; shall be sent to the following address:

Remittance Address
Federal ID #: 94-6000535
FISCAL ID #:
Contractor: County of Shasta through its Health and Human Services Agency
Attention: "Cashier"
Address: P.O. Box 496005, Redding CA 96049
Contract Number: 19-10189
Email: skwilliams@co.shasta.ca.us

D. Either party may make changes to the information above by giving written notice to the other party. Said changes shall not require an amendment to this agreement.

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Scope of Work

5. **Services to be Performed** - Please see Exhibit A, Attachment I, Statement of Work, Services to be Performed.

6. **Definitions**

This list of definitions is for use with this Agreement.

- A. **Applicant** - An individual who has applied to participate in the WIC Program.
- B. **BFPC** means Breastfeeding Peer Counseling Program - The BFPC Program is based on the United States Department of Agriculture's (USDAs) Loving Support® Model for a Successful Peer Counseling Program. The BFPC Program utilizes peers to encourage and support WIC mothers to breastfeed their infants via a mother-to-mother connection. The BFPC Program is an enhancement to WIC Program breastfeeding services and support.
- C. **Breastfeeding Coordinator** - A designated Competent Professional Authority (CPA) that ensures breastfeeding is promoted and supported at the WIC local agency.
- D. **Care Plan** - An individualized nutrition education plan developed for each WIC participant to follow during participation in the WIC Program.
- E. **CDPH/WIC Division** means California Department of Public Health, Special Supplemental Nutrition Program for Women, Infants and Children Division - The Division within the California Department of Public Health that administers and oversees the WIC Program.
- F. **Contract Manager** - The CDPH/WIC Division staff assigned to monitor compliance with the terms of the Agreement and provide technical assistance on implementation of the contract and the WIC Policy and Procedure Manual.
- G. **Contractor** - A local government or private, non-profit organization that provides WIC Program services according to the terms of this Agreement with the CDPH/WIC Division. A Contractor is also referred to as a WIC local agency.
- H. **CPA** means Competent Professional Authority - Per Federal Regulation 7 CFR 246.2, a CPA is an individual on the staff of the WIC local agency authorized to determine nutritional risk and prescribe supplemental foods. The following persons are the only persons the State agency may authorize to serve as a competent professional authority: Physicians, nutritionists (bachelor's or master's degree in Nutritional Sciences, Community Nutrition, Clinical Nutrition, Dietetics, Public Health Nutrition or Home Economics with emphasis in Nutrition), dietitians, registered nurses, physician's assistants (certified by the National Committee on Certification of Physician's Assistants or certified by the State medical certifying authority), or State or local medically trained health officials.
- I. **DBE** means Designated Breastfeeding Expert - Per USDA, a DBE is an individual who is an expert with special experience or training in helping breastfeeding mothers; providing breastfeeding expertise and care for more complex breastfeeding problems when WIC staff face situations outside their scope of practice. Individuals with this designation can be WIC staff including Breastfeeding Coordinators, Peer Counselor Coordinators, International Board Certified Lactation Consultants (IBCLCs), Certified Lactation Counselors or Certified Lactation Educators, nutritionists, and nurses or community health care providers such as physicians or nurses. Per

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the WIC Nutrition Services Standards, the IBCLC is the preferred WIC DBE
[\[https://wicworks.fns.usda.gov/resources/wic-nutrition-services-standards\]](https://wicworks.fns.usda.gov/resources/wic-nutrition-services-standards).

- J. **Designee** - A person who has been designated by the Contractor's Agency Director and is authorized to sign invoices, or the Report of Actual Expenditures on behalf of the Contractor.
- K. **Dual Funded Positions** - Positions which are funded using Nutrition Services and Administration funds and funding from another source.
- L. **EBT** means Electronic Benefit Transfer - An electronic process that allows a recipient to authorize transfer of their benefits from a government account to vendor's account to pay for products received.
- M. **FFY** means Federal Fiscal Year (October 1 through September 30).
- N. **FMNP** means Farmers' Market Nutrition Program - A USDA program established to provide locally grown fresh fruits and vegetables through farmers' markets to WIC participants. Farmers and markets are authorized and trained by CDPH/WIC to accept check booklets (separate from other WIC food benefits) that are distributed to WIC participants via WIC local agencies.
- O. **FMNP Coordinator** - A designated WIC local agency employee responsible for overseeing all FMNP functions and ensuring FMNP administrative procedures are followed, including booklet accountability, security and integrity, and staff training.
- P. **FNS** means Food and Nutrition Service - An agency of the USDA's Food, Nutrition, and Consumer Services. FNS works to end hunger and obesity through the administration of 15 federal nutrition assistance programs, which includes the WIC Program. FNS establishes rules and regulations and oversees the state and local agencies that operate those nutrition assistance programs.
- Q. **Food Benefits** - A benefit issued to WIC participants for the purchase of WIC supplemental foods at authorized WIC vendors.
- R. **LVL** means Local Vendor Liaison - A designated WIC local agency employee responsible for establishing and maintaining a working relationship with a set number of WIC authorized vendors as assigned by the CDPH/WIC Division.
- S. **MIS** means Management Information System - The CDPH/WIC Division's centralized data processing systems used to collect and store information concerning participant eligibility, enrollment, food benefits issuance and redemption for WIC local agencies. Includes the WIC WISE and all ancillary systems such as the California WIC App, WIX Reporting, Participant Portals, etc.
- T. **NSA** means Nutrition Services and Administration - The funding provided by USDA that supports the WIC Program.
- U. **NSP** means Nutrition Services Plan - The NSP is a tool for the CDPH/WIC Division to use in planning overall WIC Program Nutrition Services. The NSP is federally mandated (7 CFR 246.11) and is further described in the WIC Nutrition Services Standards [\[https://wicworks.fns.usda.gov/resources/wic-nutrition-services-standards\]](https://wicworks.fns.usda.gov/resources/wic-nutrition-services-standards). The NSP establishes statewide nutrition services priorities and focuses WIC local agency activities to improve

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participant health and nutrition outcomes. The NSP also provides a focus for staff training and quality assurance resources over the course of this contract.

- V. **Nutrition Consultant** - The CDPH/WIC Division staff assigned to provide ongoing WIC local agency support regarding program services, including quality nutrition services, and ongoing monitoring of program performance, quality assurance, and technical assistance.
- W. **Nutrition Education Coordinator** - A designated WIC local agency Registered Dietitian that ensures nutrition education delivery is done in accordance with CDPH/WIC Division approved curriculum and messages and in keeping with the WIC participant's personal, cultural, and socioeconomic preferences.
- X. **NVRA** means National Voter Registration Act - Congress enacted the National Voter Registration Act of 1993 to enhance voting opportunities for every American. The NVRA allows the Department of Justice to bring civil actions in federal court to enforce its requirements.
- Y. **NVRA Coordinator** - A designated WIC local agency employee responsible for implementing and ensuring compliance with the NVRA requirements at each of the WIC local agency sites.
- Z. **Participant** - An individual who meets all WIC Program eligibility criteria and is enrolled in the WIC Program and receives nutrition benefits.
- AA. **PCE** means Participant-Centered Education - A strength-based approach that places the participant at the center of the education process. Rather than focusing only on participants' problems, risks, or unhealthy behaviors, this approach emphasizes participants' capabilities and strengths regarding their nutrition, health, and referral needs. In PCE, educators work collaboratively with participants to elicit and support their motivation to change, respecting them as the ones who ultimately decide if and when they will learn and/or make a change.
- BB. **Quality Assurance (QA)** means a retrospective review process which demonstrates that a service fulfilled or met a set of requirements or criteria.
- CC. **Quality Improvement (QI)** means a formal approach to performance analysis and systematic efforts to improve it. It involves the implementation of solutions to improve services and the monitoring of their effectiveness, with the goal of providing quality nutrition services and achieving optimal health outcomes for participants.
- DD. **RAE** means Report of Actual Expenditures - The Contractor's year-end financial report.
- EE. **Registered Dietitian (RD)** - A registered dietitian is a food and nutrition expert who has met academic and professional requirements. The RD must possess and maintain the RD credential or the right to use the term "registered dietitian" as approved by the Commission on Dietetic Registration (CDR) of the Academy of Nutrition and Dietetics (AND). The RD role is defined in WPPM 130-10.
- FF. **Service Area** - The geographical area covered by the Contractor, which may be listed as County, City, and/or Zip Code.
- GG. **ULO** means Unliquidated Obligations - Unpaid WIC Program financial commitments within a budget period.

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- HH. **USDA** means United States Department of Agriculture - The Federal agency that funds and implements the WIC Program throughout the United States.
- II. **WIC Site** - A CDPH/WIC Division approved location where WIC business is conducted by the Contractor. Types of WIC Sites include: WIC Office (provides direct participant services), WIC and Administrative Office (provides direct participant services and administrative services), Administrative Only, Call Center, and Warehouse/Storage locations.
- JJ. **WIC Director** - The manager who is responsible for day-to-day WIC Programs operations.
- KK. **WIC Program** means the Special Supplemental Nutrition Program for Women, Infants and Children - A federal assistance program of the Food and Nutrition Service (FNS) of the United States Department of Agriculture (USDA) for healthcare and nutrition of low-income pregnant women, breastfeeding women, and infants and children under the age of five.
- LL. **WIC WISE** means WIC Web Information System Exchange - A computerized information processing system that provides an organization with information and tools to organize, evaluate, and efficiently manage its business activities, and to provide support for making operational, tactical, and strategic decisions.
- MM. **WNA** means WIC Nutrition Assistant - A paraprofessional who provides WIC services to participants.
- NN. **WPPM** means the WIC Policy and Procedure Manual.

7. Contractor Responsibilities

A. Administrative Contract Requirements

1) Caseload Management and Performance Standard

- a) The Contractor is provided a participant annual caseload for the term of this Agreement. The Contractor shall meet the performance standard by serving one hundred percent (100%) of the authorized caseload.

<u>Budget Period</u>	<u>Caseload</u>
1. 10/1/19 – 9/30/20	4,800
2. 10/1/20 – 9/30/21	4,800
3. 10/1/21 – 9/30/22	4,800

- b) Should the Contractor fail to meet the performance standard, the CDPH/WIC Division may reduce the Contractor's authorized caseload and associated funding through a formal contract amendment.

2) Program Monitoring

The CDPH/WIC Division shall conduct program monitoring to ensure that the Contractor's program operations and fiscal management procedures are in compliance. On-site monitoring visits shall be performed at least once every two (2) years. The Contractor shall comply with all requirements of the program monitoring process. The Contractors found to be out of

Exhibit A Scope of Work

compliance during program monitoring may be subject to more frequent monitoring, and if findings are not corrected, sanctions may be imposed.

3) Quality Assurance and Quality Improvement

The Contractor shall maintain an internal Quality Assurance (QA) Plan (per WPPM 100-01) and continuously review and evaluate the program services provided. Deficiencies identified during the QA process, via statewide performance measures, or by CDPH/WIC program monitoring, shall be included in the QA Plan and addressed through Quality Improvement (QI) activities. The improvement activities and monitoring shall follow traditional QI methods. For further information on QI, see Standard 16 in the current WIC Nutrition Services Standards [<https://wicworks.fns.usda.gov/resources/wic-nutrition-services-standards>].

4) Staffing Standards

- a) The Contractor shall ensure all appropriate staff performs tasks as outlined in Exhibit A, Attachment I and as detailed in Exhibit B, Attachment I.
- b) The Contractor shall ensure there are adequate and qualified personnel to perform administrative and duties relating to certification, referral, outreach, education, planning and supervisory functions. The Contractor may employ WNAs, RDs, Degreed Nutritionists, CPAs, and other staff in accordance with Exhibit A, Attachment I.
- c) The Contractor shall employ RDs for activities that support participant nutrition needs and oversee the development, implementation, and evaluation of the Nutrition Services Plan, the quality assurance plan and nutrition related education, and assessments. If there are barriers to meeting this RD staffing standard, the Contractor shall submit a written plan to their CDPH/WIC Division Contract Manager and Nutrition Consultant, explaining how they will coordinate and provide nutrition services to participants in accordance with Exhibit A, Attachment I.

- d) WIC Director

The Contractor shall designate a WIC Director who meets the federal CPA qualifications. The WIC Director is responsible for the day-to-day operations of the WIC program and serves as the principle liaison to the CDPH/WIC Division. This position has supervisory and coordination responsibilities, including ensuring that the Contractor complies with all fiscal, administrative, and operational requirements and services to be performed in accordance with Exhibit A, Attachment I. If there are barriers to meeting this CPA staffing standard, the Contractor shall submit a written plan for approval to their CDPH/WIC Division Contract Manager and Nutrition Consultant, explaining how they will meet the fiscal, administrative, and operational requirements and services to be performed in accordance with Exhibit A, Attachment I.

- e) Nutrition Education Coordinator

The Contractor shall designate a RD to serve in the role of the WIC Nutrition Education Coordinator. If there are barriers to meeting this RD staffing standard, the Contractor shall submit a written plan to their CDPH/WIC Division Nutrition Consultant explaining how they will coordinate and provide nutrition services to participants in accordance with Exhibit A, Attachment I.

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f) Breastfeeding Coordinator

The Contractor shall designate a CPA that meets WPPM 130-100 requirements, to serve in the role of the WIC Breastfeeding Coordinator. If there are barriers to meeting this CPA staffing standard, the Contractor shall submit a written plan to their CDPH/WIC Division Contract Manager and Nutrition Consultant explaining how they will promote breastfeeding in the community and support the provision of breastfeeding services to participants in accordance with Exhibit A, Attachment I.

g) Local Vendor Liaison

The Contractor shall designate one or more staff to serve in the role of the LVL to be the point of contact to the CDPH/WIC Division for LVL related activities in accordance with Exhibit A, Attachment I, Task 6.

h) FMNP Coordinator (only applies to the Contractor that receives funds for this service)

The Contractor shall designate one or more staff to serve in the role of the FMNP Coordinator to be the point of contact to the CDPH/WIC FMNP lead for FMNP related activities in accordance with Exhibit A, Attachment I, Task 7. The FMNP Coordinator shall ensure all FMNP administrative requirements are followed, as listed in the WPPM 800-series.

i) NVRA Coordinator

The Contractor shall designate one or more staff to serve in the role of the NVRA Coordinator to be responsible for ensuring compliance with NVRA and Senate Bill 35 at their WIC local agency's WIC Sites. The NVRA Coordinator shall ensure all NVRA requirements are followed, as listed in WPPM 190-30, WPPM 700-06, and Secretary of State requirements for NVRA reporting agencies.

j) Dietetic Internship Program (only applies to the Contractor that receives funds for this service)

The Contractor shall ensure and maintain an Academy of Nutrition and Dietetics accredited WIC dietetic internship program pursuant to guidelines established by the CDPH/WIC Division and the Accreditation Standards as set forth by the Accreditation Council for Education in Nutrition and Dietetics (ACEND). Qualified WIC employee applicants seeking Community Nutrition focus are to be given priority in the candidate selection process. The Contractor shall provide a point of contact, or designee, with applicant recruitment advertisements for distribution within the WIC community statewide (i.e., letter and/or WIC website). Provide bi-annual status reports and information to the CDPH/WIC Division's Dietetic Internship (DI) Coordinator, regarding the RD exam pass rate, intern data, ACEND notifications, and other relevant program internship information including intern selection, number of interns, costs or budget changes. Work with other internship directors, DI Coordinator, and state representatives to address challenges, acknowledge accomplishments, and make recommendations on ways to sustain quality of services. Funding of project is contingent on meeting performance outcome standards.

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- k) Dietetic Career Development Coordinator (only applies to the Contractor that receives funds for this service)

The Contractor shall designate one or more staff to serve in the role of the Dietetic Career Development Coordinator to be the point of contact to the CDPH/WIC Division and provide the following services:

1. Provide technical assistance to the five (5) WIC dietetic internships and WIC staff interested in becoming a dietitian.
2. Provide outreach services related to WIC dietetic internships to various state and national organizations.
3. Provide written and verbal communication updates and bi-annual reports received from internships to the CDPH/WIC Division, documenting performance outcomes and compliance with current ACEND Accreditation Standards
4. Ensure that WIC dietetic internships comply with current Accreditation Standards and performance outcomes as set forth by ACEND and CDPH/WIC Division. This includes the requirements to have a full-time internship program director and for dietetic internships to provide at least 1200 hours of supervised practice to meet defined competencies by ACEND.
5. Work with dietetic interns to complete the mandatory review process to pass the RD exam. Funding of project is contingent on meeting performance outcome standards.
6. Review the annual budget for each of the WIC dietetic internships to ensure programs are sustainable, and participate in funding decisions for awarding funds issued by CDPH/WIC Division to existing WIC dietetic internships.
7. Collaborate with DI program directors and administrators to formulate and implement ongoing program development, evaluation and improvement and program sustainability.

5) Professional Certifications

The Contractor shall ensure professional staff listed under "Staffing Standards" here within the Exhibit A, Scope of Work (SOW), and staff identified on Exhibit B, Attachment I, maintain any professional certifications and memberships required, which shall also include registration of certification/recertification as part of staffs' profession, relevant memberships to professional organizations, and subscriptions to professional and technical periodicals.

6) Program Materials

The Contractor shall utilize CDPH/WIC Division administrative, program, nutrition education, breastfeeding, and outreach materials in accordance with Exhibit A, Attachment I. Prior to purchasing, using, or developing other materials, the Contractor shall request and receive approval from their CDPH/WIC Division Nutrition Consultant.

7) Staff Training Requirements

- a) The Contractor shall provide to their staff a comprehensive orientation to the WIC Program, initial and in-depth training, as well as on-going professional and program training to ensure that all of the Contractor's staff has the knowledge and skills necessary to perform their duties.
- b) The Contractor shall provide all mandatory trainings in accordance with WPPM 190-00. This includes Civil Rights, Alcohol and Drug Abuse, National Voter Registration Act, and Code of

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Conduct training once every 12 months to all staff. Newly hired staff shall complete the mandatory training within three (3) months of employment, and subsequently, once every 12 months.

- c) The Contractor is responsible for assessing staff competency and ensuring training appropriate to the position and duties is received on an ongoing basis, including, but not limited to, Participant-Centered Education and nutrition and breastfeeding topics.
- d) The Contractor shall meet the staff training requirements by any of the following options: online trainings; trainings at Regional Training Centers; in-service trainings; staff meetings; and attending CDPH/WIC Division approved conferences, trainings, and/or meetings at locations to be determined.

8) Travel

The Contractor's staff shall be allowed to travel to attend trainings and conferences; attend committee meetings; provide services at WIC Sites; and provide community outreach activities.

9) Data Collection

Data collection and management information systems (MIS) required by the CDPH/WIC Division shall be utilized to address and minimize fraud opportunities.

- a) The Contractor shall comply with all data collection, entry, and reporting requirements, including data on nutrition assessment and certification, nutrition education, food benefits and issuance, breastfeeding promotion and support, outreach, WIC vendor support, Farmers' Market Nutrition Program (if applicable), and Breastfeeding Peer Counseling Program (if applicable).
- b) The Contractor shall only utilize the data collection and/or MIS provided by the CDPH/WIC Division.

10) Nutrition Services Plan

The Contractor shall complete, submit, and update an NSP that is consistent with the CDPH/WIC Division NSP goals and objectives on an annual basis. The NSP will be reviewed and approved by the assigned Nutrition Consultant.

11) WIC Site Changes

- a) The Contractor shall keep open and continue services at all of the approved WIC Sites, unless prior written approval to close a WIC Site has been provided by the CDPH/WIC Division.
- b) The Contractor may not provide WIC services at any location other than CDPH/WIC Division approved sites. The Contractor may not create temporary sites, and/or, certification/recertification, or education sites without prior written approval from the CDPH/WIC Division.
- c) The Contractor must receive written approval from the CDPH/WIC Division prior to entering into any contractual agreement for new, relocation, and/or closure of WIC Sites, in

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accordance with WPPM 1000-06. The Contractor shall submit a WIC Site Request packet to their CDPH/WIC Division Contract Manager for review and approval.

- d) The CDPH/WIC Division will base their decision on the review of the Contractor's WIC Site Request packet, and in accordance with WPPM 1000-06.
- e) The Contractor shall be responsible for any liabilities and costs incurred from entering into any contractual agreement for a site that is not approved by CDPH/WIC Division; the Contractor must not use WIC funds to cover these unapproved costs.
- f) Based on unmet need data and/or other verifiable data, the CDPH/WIC Division may determine that additional WIC Sites need to be opened to serve an unmet need in a specific service area. If so determined, the CDPH/WIC Division will first work with the existing contractors already providing services in the identified service area to ensure uninterrupted participant access to services. The CDPH/WIC Division may release a Request for Application (RFA) to solicit potential contractors to open additional sites based on CDPH/WIC service site location needs. If CDPH/WIC Division determines that a site needs to be closed, the CDPH/WIC Division will work with the Contractor to close the site, address participant access needs, and amend the contract accordingly.
- g) If the opening or closing of WIC Sites initiated by the CDPH/WIC Division will result in a caseload increase or decrease, appropriate funding changes may be made through a formal contract amendment.

12) Time Reporting Requirement

The Contractor shall make available all time studies upon request of the CDPH/WIC Division.

- a) The Contractor shall complete a time study. Each time study shall cover a minimum of one (1) week a month, or one (1) month per quarter. All staff providing WIC services, who are paid with WIC funds, are to be included in the time study. The time study must accurately document time spent on the four (4) Federal WIC cost categories: 1) general administration, 2) client services, 3) nutrition education, and 4) breastfeeding.
- b) The time studies shall be reported in accordance with Paragraph 13 below as part of the Report of Actual Expenditures process.
- c) Continuous Time Reporting - Farmers' Market Nutrition Program (if applicable)
The Contractor shall adhere to all fiscal procedures required for FMNP restricted funds and keep continuous time reports for all staff performing FMNP-related duties as outlined in Exhibit A, Attachment I, Task 7.
- d) Continuous Time Reporting - Breastfeeding Peer Counseling Program (if applicable)
The Contractor shall adhere to all fiscal procedures required for BFPC restricted funds and keep continuous time reports for all dual funded positions performing BFPC-related duties as outlined in Exhibit A, Attachment I, Task 8.

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13) Report of Actual Expenditures Requirement

- a) The Contractor shall submit a completed copy of the Report of Actual Expenditures (RAE) packet no later than December 15th, following the end of each FFY of this Agreement, using the RAE Workbook provided by the CDPH/WIC Division.
- b) The RAE Worksheet shall be signed by the Contractor's preparer of the RAE packet, and the Agency Director or its authorized designee. A Designee Letter signed by the Agency Director on the Contractor's letterhead, shall be submitted to the CDPH/WIC Division to identify and authorize the designee. The designee shall not be the preparer of the RAE packet.
- c) The RAE packet shall not be submitted until the final invoice for the FFY has been approved and all obligations have been liquidated. The Contractor shall refer to the Exhibit B, Budget Detail and Payment Provisions, Provision 9.H.1 and 9.H.2 for more details.
- d) The RAE Worksheet shall be clearly marked "All Obligations Liquidated", indicating that all payment obligations of the State under this Agreement have ceased and that no further payments are due or outstanding for the corresponding FFY.
- e) The Contractor shall submit the following with the RAE packet:
 - 1. The Expenditure Worksheet;
 - 2. The NSA Operating Expenses Worksheet;
 - 3. The Agency Time Sheet Summary; and,
 - 4. The RAE Worksheet (signed)
- f) In the event of early termination of this Agreement, the RAE packet shall be submitted no later than 60 days from the termination date.

14) Nutrition Education Minimum Expenditure

- a) The Contractor shall meet the nutrition education expenditure requirement of spending a minimum of one sixth (1/6) (approximately 18%) of the Contractor's NSA funds on Nutrition Education Services. Time studies may be used as part of the verification for this expenditure.
- b) The CDPH/WIC Division may recover up to eighteen percent (18%) of the annual NSA funds for a budget period of this Agreement if the Contractor fails to spend, document, or report the required minimum of one sixth (1/6) (approximately 18%) minimum expenditures for each budget period of this Agreement in accordance with Exhibit A, Attachment I, Task 2.

15) Breastfeeding Promotion and Support Minimum Expenditure

- a) The Contractor shall meet the breastfeeding promotion and support minimum expenditure dollar amount requirement of NSA funding per pregnant and/or breastfeeding participants on breastfeeding promotion activities. This figure will be updated annually based on the USDA minimum expenditure requirement published each year around October. The Contractor will be notified by the CDPH/WIC Division when the amount is released. Time studies may be used as part of the verification for this expenditure.

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- b) The CDPH/WIC Division may recover the minimum expenditure if the Contractor fails to spend, document, or report the breastfeeding promotion and support minimum expenditure requirement per pregnant and/or breastfeeding participants in accordance with Exhibit A, Attachment I, Task 4.

16) Subcontract Requirements

- a) The Contractor shall request written authorization and receive CDPH/WIC Division approval prior to executing a subcontract exceeding \$2,500 in accordance with requirements specified in Exhibit D, Provision 3.
- b) The Contractor shall obtain at least three (3) bids or justify a non-competitive bid award.

17) Procurement Requirements

- a) The Contractor shall request written authorization and receive CDPH/WIC Division approval prior to any procurement purchase exceeding \$2,500 in accordance with requirements specified in Exhibit D, Provision 1.
- b) The Contractor shall obtain at least three (3) bids or justify a non-competitive bid award.

18) Inventory and Management of State Property Requirements

The Contractor shall follow the requirements regarding the reporting, tagging, annual inventorying, and proper disposal of all equipment (including technology equipment and software) and/or property that is furnished by the CDPH/WIC Division or purchased/reimbursed with funds provided through this Agreement, as specified in Exhibit D, Provision 2, and WPPM 1000-10, Inventory and Management of State Property.

19) Motor Vehicles and Vehicle Maintenance

- a) The Contractor may purchase and operate motor vehicle(s) to perform the services of this Agreement with CDPH/WIC Division approval. All CDPH/WIC Division owned motor vehicle(s) purchased with WIC funds may be used for travel as listed under "Travel" here within the Exhibit A, SOW and also for transportation of supplies needed for WIC Program operations.
- b) The Contractor shall follow the requirements detailed in Exhibit D, Provision 2.g. regarding the purchase and use of Motor Vehicle(s). The Contractor shall follow the proper procedures to register the vehicle as follows: Legal Owner is the California Department of Public Health; Registered Owner is the Contractor's Legal Name.
- c) The Contractor shall obtain and submit a copy of the required insurance documents as detailed in Exhibit E, Provision 2.
- d) The Contractor shall ensure a travel log is completed on all state-owned vehicles and shall make travel logs available upon request.
- e) The Contractor is responsible for vehicle maintenance. Prior approval must be obtained for any vehicle maintenance exceeding \$2,500. The Contractor shall obtain at least three (3)

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bids or justify a non-competitive bid award and submit the request to the CDPH/WIC Division Contract Manager.

20) Information Technology and System Support Services

- a) The Contractor shall identify and maintain a current Information Technology Point of Contact (IT POC) that shall communicate with the CDPH/WIC Division on technology related implementation and support initiatives. The Contractor shall provide the phone number(s) and email(s) for which the IT POC can be reached. The Contractor shall promptly notify the CDPH/WIC Division whenever there is a change in the IT POC.
- b) Where delegated system administration functions and responsibilities apply, the Contractor shall designate a WIC local agency Super User or Application Administrator(s) (if different than the IT POC) who shall on a monthly basis, monitor, review, create, and maintain correct access rights (minimum use approach) to the WIC MIS systems for their WIC local agency staff. The scope shall include terminating or updating system access rights for staff according to their roles and responsibilities or employment status. The Contractor shall promptly notify the state if there is a change to the WIC local agency Super User or Application administrator.
- c) The Contractor shall ensure that all users have read and signed the technology use agreement form and have submitted a copy to the CDPH/WIC Division.
- d) The Contractor IT POC shall actively participate in state planned WIC technology user workgroups.
- e) The Contractor shall obtain local information technology support services and infrastructure to maintain an appropriate network.
- f) The Contractor is responsible for the implementation and ongoing support of its wide area network (WAN) infrastructure and for the devices within that network. The Contractor is responsible for the telecommunications, hardware, and security on the local side of the network.
- g) The Contractor shall have an entry point to their local network for CDPH/WIC Division access; this entry point is called a Point of Presence (POP).
- h) The Contractor shall obtain local information technology personnel support services and infrastructure to fulfill the following responsibilities:
 - 1. Provide technical support consistent with a Transmission Control Protocol/Internet Protocol (TCP/IP) technical environment;
 - 2. Allow workstations and other WIC devices to communicate via TCP/IP through the CDPH/WIC Division router to access WIC resources on the State Wide Area Network (WAN);
 - 3. Allow EBT related peripherals devices such as EBT card readers, EBT card writers, pin pads, and other WIC devices to be able to receive TCP/IP communication through the CDPH/WIC Division router and the State WAN.
 - 4. Allow video conferencing equipment to be able to communicate with CDPH/WIC Division central video conferencing systems within the CDPH/WIC Division network.

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Scope of Work

- i) The Contractor shall support implementation and maintenance of WIC technology activities:
 - 1. Implement infrastructure and devices needed to perform WIC Program business in accordance with CDPH/WIC Division/State of California Information Technology minimum hardware standards, located on the CDPH/WIC Local Agency SharePoint Site [<https://partners.cdph.ca.gov/sites/LASS/>].
 - 2. Maintain workstations, EBT related peripheral devices, printers, and TCP/IP equipment, from the WAN infrastructure or any other end user TCP/IP device, so WIC Program business can be performed.
 - 3. Ensure that the acquired technology hardware and software meets the minimum specification requirements and standards for computers, peripheral devices, browsers, software tools, etc.
- j) The Contractor shall provide TCP/IP network troubleshooting and timely support for WIC site operations:
 - 1. Isolate TCP/IP communication problems in a timely manner so WIC Program business can be performed; and
 - 2. Provide information to the CDPH/WIC Division/State of California Information Technology staff when trying to determine if TCP/IP communication problems are local or in the State network.
- k) The Contractor shall provide maintenance and support for hardware/software used in WIC Program operations:
 - 1. Install, maintain, and configure the operation systems, device drivers, and applications software used by staff for performing WIC Program operations; and
 - 2. If software or hardware is not performing as expected, contact the manufacturer for resolution.
- l) The Contractor shall ensure proper security of local network systems and WIC data:
 - 1. Ensure that the devices in the WIC local agency's network are protected from hackers, viruses, and other security threats through the use of virus protection software, appropriate hardware, restrictions of TCP/IP communications, or any other tool that may be needed to protect WIC Program devices on the network; and
 - 2. When data traverses wireless networks and/or the internet, communications shall be protected with a minimum of 256 bit encryption through an encryption network.
- m) The Contractor shall follow the Information Privacy and Security Requirements as detailed in Exhibit G.

21) Implementation of Technology Projects

The CDPH/WIC Division will periodically implement technology projects or systems such as electronic inventory, autodialer, video conferencing, implementation of a new MIS, and implementation of an electronic benefit transfer (EBT) service. The Contractor shall actively support the implementation of state information technology projects by following the instructions and adhering to the timelines provided by the CDPH/WIC Division. The instructions may include requirements to use CDPH/WIC NSA funds to purchase specific equipment, train staff, or implement a new technology project within the implementation timeframe provided.

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22) Emergency and Disaster Planning

- a) If the Contractor experiences an emergency situation or incident, the Contractor shall notify the CDPH/WIC Division within twenty-four (24) hours. The Contractor shall work collaboratively and cooperatively with appropriate State and local agencies, local assistance centers, and community response teams to schedule enrollment appointments and to ensure WIC services are delivered to eligible participants.
- b) The Contractor is required to maintain an emergency and disaster plan and follow the procedure and coordination requirements.

23) Release of the Contractor's Legacy WIC MIS Administrative data for inclusion in a third-party data reporting system (only applies to the Contractor that elects to use a third-party data reporting system)

If the Contractor elects to use a third-party data reporting system, the Contractor must:

- a) Use a data reporting system that has been pre-approved by CDPH/WIC where CDPH/WIC has entered into a Data Use Agreement with said third-party vendor (to date the only data reporting system that has been approved by CDPH/WIC is the Raptor system maintained by the Public Health Foundation Enterprises, Inc., however CDPH/WIC is open to other possible data reporting systems);
- b) Using the sample agreement template provided by CDPH/WIC (Exhibit A, Attachment II), enter into a signed agreement between the Contractor and the CDPH/WIC-approved third-party vendor outlining responsibilities, indemnification, and data access and confidentiality measures. Any changes to CDPH/WIC's sample agreement must be approved in advance, in writing by CDPH/WIC;
- c) Provide CDPH/WIC with a signed copy of the above referenced agreement between the Contractor and third-party vendor, including beginning and end dates;
- d) Send an official letter (on Agency letterhead) to its CDPH/WIC Contract Manager requesting that CDPH/WIC release the Contractor's Standard Local Agency Dataset (SLAD) on a monthly basis to the third-party vendor for inclusion in its data reporting system; and
- e) To stop CDPH/WIC from sending the Contractor's SLAD to the third-party vendor outside of the agreement's term dates, the Contractor must send an official letter to its CDPH/WIC Contract Manager specifying a stop date.

24) Regional Training Centers (only applies to the Contractor that receives funds for this service)

The Contractor shall provide a Regional Training Center (RTC) for use by WIC local agency trainers and the CDPH/WIC Division trainers to conduct breastfeeding training, breastfeeding peer counseling training, PCE training, WIC WISE training, LVL training, vendor training, and various WIC local agency trainings provided to WIC local agency staff and authorized WIC vendors. Maintain a training room facility; site logistics including tables, chairs, and appropriate equipment including computer/laptop (keyboards, mice, and cables as needed), air mouse with gyroscope capability (for breastfeeding curricula platform), projector and spare bulb, screen, speakers, microphone system, flip chart paper and easel, copier, other training equipment; and internet access necessary for trainings. Identify a WIC local agency contact who will provide

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Scope of Work

access to the training room(s), and receive and store shipped training materials up to one week prior to training. The Contractors receiving funds for WIC WISE training shall also provide required equipment including connectivity to WIC WISE, 14-20 dedicated computers/laptops equipped with peripherals such as Signature Pads, Pin Pads, Magnetic Card readers and Desktop Scanners that meet WIC WISE recommended specifications.

25) Translation Review Services – Education Materials (only applies to the Contractor that receives funds for this service)

The Contractor shall designate one or more staff to review translation of CDPH/WIC Division developed education materials for accuracy and literacy level. Requests to the Contractor will include timeframes with specific delivery dates expected for completion of the translation services.

26) Breastfeeding Peer Counselor Database (only applies to the contract with Public Health Foundation Enterprises, Inc.)

The following only applies to PHFE, which is the WIC local agency that hosts the web-based Breastfeeding Peer Counselor Database (PCDB). PHFE is responsible for maintaining the PCDB for California WIC local agencies authorized to use the system. Maintenance of the system does not include additional program development or functionality.

a) Responsibilities of PHFE includes, but are not limited to:

1. Ensuring users complete and submit a PHFE-WIC Peer Counselor Database Employee Security Affidavit form before a PCDB user account is established.
2. Ensuring local agencies can access their own agency reports and documentation.
3. Maintaining a secure, interactive automated educational text messaging function.
4. Providing "User Training" to agencies that use the PCDB and text messaging function, and answering daily questions sent to the PCDB support inbox.

b) PHFE is bound to the following requirements, terms, and conditions, concerning the PCDB, as stated in the WIC local agency contract:

1. Information Privacy and Security Requirements, as specified in Exhibit G, Section XI, which includes reporting any incidents involving unauthorized use of this data file to the California Department of Public Health (CDPH) Program Contract Manager, CDPH Privacy Officer, and CDPH Chief Information Security Officer (and CDPH IT Service Desk).
2. Special Terms and Conditions pertaining to Confidentiality of Information, as specified in Exhibit D, Provision 8.

c) PHFE may export its own agency data out of the PCDB for additional analytical purposes, such as program evaluation. If PHFE WIC data from the PCDB are used for research studies, PHFE will adhere to the research request and approval process outlined in the contract between CDPH/WIC and PHFE. At no time will PHFE use data from any other WIC local agency for additional research or analytical purposes.

Exhibit A, Attachment I
Statement of Work
Services to be Performed

Task 1: Nutrition Assessment and Certification:

Objective: The Contractor shall, on an ongoing basis, determine eligibility, certify/enroll individuals, and provide WIC Program benefits.

Activities to Support the Objective
Activity 1: Assess that applicants meet eligibility criteria: 1) categorical, 2) residential, 3) financial and 4) nutritional risk. If applicants meet these four criteria, certify eligible applicants and document ineligibles.
Activity 2: Conduct a complete nutrition assessment to include anthropometric/biochemical, health history, and diet information for each applicant.
Activity 3: Provide and document health and social service referrals as appropriate.
Activity 4: Accurately prescribe food benefits based on category, preferences and individual nutritional need.
Activity 5: Document an Individual Nutrition Education Plan (INEP)/Care Plan in the CDPH/WIC Division authorized management information system (MIS).
Activity 6: Maintain and adhere to procedures for fraud prevention including separation of duties.
Deliverables
A. Eligible applicants/participants are certified and provided appropriate WIC benefits.
B. Nutrition assessments are completed on all eligible WIC applicants/participants.
C. Food benefits are prescribed accurately to all WIC applicants/participants.
D. Appropriate referrals are provided to all WIC applicants/participants.
E. All information on certified participants is accurately documented in the CDPH/WIC Division authorized MIS. Each participant shall have an INEP/Care Plan which includes a goal and appropriate secondary education follow up plan.
F. Ineligible applicants are provided appropriate forms to notify them of ineligibility and referrals if needed.
G. Appropriate separation of duties procedures are implemented during certifications and recertifications.

Exhibit A, Attachment I
Statement of Work
Services to be Performed

Task 2: Nutrition Education:

Objective: The Contractor shall, on an ongoing basis, provide nutrition education to all WIC participants.

Activities to Support the Objective
Activity 1: Provide and document appropriate, evidenced-based, Participant-Centered Education (PCE) that is based on nutritional risk and participant concerns.
Activity 2: Provide and document the minimum number of required nutrition education contacts per the participant's category and certification period.
Activity 3: Provide high risk counseling by a Registered Dietitian (RD) and/or a Degreed Nutritionist (DN) to participants who meet the high risk criteria based on the participant's nutrition assessment.
Activity 4: Utilize CDPH/WIC Division materials, both printed and online, to ensure that consistent nutrition messages are provided to participants in individual counseling sessions and group education. Refer to Exhibit A, Scope of Work (SOW), Provision 7.A.6.
Deliverables
A. Participants are provided initial and secondary nutrition education based on the individual nutrition education care plan, their participant category, and any subsequent assessments.
B. Document all participant nutrition education information in the CDPH/WIC Division authorized MIS.
C. Refer to Exhibit A, SOW, Provision 7.A.14.

Exhibit A, Attachment I
Statement of Work
Services to be Performed

Task 3: Food Benefits and Issuance:

Objective: The Contractor shall, on an ongoing basis, issue food benefits to all WIC participants using the CDPH/WIC Division authorized MIS.

Activities to Support the Objective
Activity 1: Instruct each participant on the selection of authorized foods, quantities, and on the correct use of WIC food benefits at authorized vendors.
Activity 2: Maintain and adhere to procedures for ensuring food benefits security, including safe and secure transportation, receiving, handling and storage of all check/card stock, food benefits, peripheral devices, laptops and portable printers, and if applicable, FMNP booklets.
Deliverables
A. Food benefits are accurately issued.
B. Participant is able to demonstrate the ability to use the food benefits and select allowed foods and quantities.
C. The handling procedures for check/card stock, food benefits, laptops, and portable printers and FMNP booklets (if applicable), meet program security standards.

Exhibit A, Attachment I
Statement of Work
Services to be Performed

Task 4: Breastfeeding Promotion and Support:

Objective: The Contractor shall, on an ongoing basis, promote breastfeeding and provide breastfeeding support to all pregnant and postpartum participants.

Activities to Support the Objective
Activity 1: The Contractor shall promote breastfeeding to all pregnant and postpartum women unless medically contraindicated.
Activity 2: Provide and document evidenced-based, participant-centered breastfeeding education that enables women to make an informed decision regarding infant feeding.
Activity 3: Refer participants to the local agency designated breastfeeding expert(s), as requested by the participant or recommended by WIC staff. If applicable, refer participant to the Breastfeeding Peer Counseling Program, breastfeeding support group and/or breastfeeding services in the community.
Activity 4: Make breast pumps and kits available to postpartum women.

Deliverables
A. Participants are provided accurate breastfeeding information.
B. Document all participant breastfeeding education provided in the CDPH/WIC Division authorized MIS.
C. Appropriately refer participants for additional breastfeeding support and assessment to address participants' concerns and to help meet the participants' breastfeeding goals.
D. Document breast pump issuance and the reasons for issuance in the CDPH/WIC Division authorized MIS.
E. Maintain an accurate inventory of breast pumps.
F. Maintain all breast pumps in a clean and working condition.

**Exhibit A, Attachment I
Statement of Work
Services to be Performed**

Task 5: Outreach:

Objective: The Contractor shall provide information about WIC Program benefits and requirements to inform potential WIC eligible populations about WIC services.

Activities to Support the Objective
Activity 1: Provide WIC Program information to and coordinate with health and social service organizations to encourage referrals to the WIC Program.
Activity 2: Annually inform potential eligible persons of the availability of program benefits, eligibility criteria, and WIC local agency contact information.
Deliverables
A. Establish referral networks by partnering with the mandatory referral agencies, healthcare providers, and community-based organizations.
B. Conduct and document the approved annual Public Outreach Announcement. Refer to Exhibit A, SOW, Provision 7.A.6.

Exhibit A, Attachment I
Statement of Work
Services to be Performed

Task 6: WIC Vendor Technical Assistance and Support:

Objective: The Contractor shall designate one or more staff to serve in the role of the Local Vendor Liaison (LVL) to be the point of contact to the CDPH/WIC Division for LVL related activities. The LVL staff shall provide technical assistance to WIC authorized vendors.

Activities to Support the Objective
<p>Activity 1: Coordinate and conduct, with the Contractor's Training Coordinator, annual in-service training to WIC local agency staff on the two Code of Conduct trainings: Conflict of Interest and Confidentiality.</p> <p>Activity 2: Conduct and document site visits three times per Federal Fiscal Year (FFY), serving as a resource to existing WIC authorized vendors both during the site visit and upon request in between visits. The site visits may include, but are not limited to, technical assistance (TA) visits.</p> <p>Activity 3: Attend CDPH/WIC Division conducted LVL training as directed.</p> <p>Activity 4: Attend CDPH/WIC Division conducted vendor training at least once within the period of the contract.</p>
Deliverables
<p>A. Assist the Contractor's Training Coordinator to ensure that both the Conflict of Interest and Confidentiality trainings are delivered to the Contractor's WIC local agency staff at least once per calendar year.</p> <p>B. Assist the Contractor's WIC Director or designee to ensure the Contractor's WIC local agency staff review and sign the Conflict of Interest Statement.</p> <p>C. Meet a minimum 90 percent performance standard of vendor onsite visits completed for each assigned vendor three times during the FFY, which begins October 1.</p> <p>D. Document results of every WIC authorized vendor site visit using the CDPH/WIC Division LVL reporting process.</p> <p>E. Provide WIC Program information and referrals to vendors, upon request.</p> <p>F. Conduct onsite preauthorization visits (OPV) on an as needed basis.</p> <p>G. Provide written notice to the CDPH/WIC Division when there is a change of LVL(s). The notice shall include the name, WIC local agency, telephone number, email address of the new LVL, and notification to delete outdated information.</p>

Exhibit A, Attachment I
Statement of Work
Services to be Performed

Task 7: Farmers' Market Nutrition Program (only applies to the Contractor that receives funds for this service):

Objective: The Contractor shall issue Farmers' Market Nutrition Program (FMNP) food benefits to eligible participants between May and September of each year using the CDPH/WIC Division authorized MIS; provide nutrition education on the benefits of fruits and vegetables to all FMNP recipients; and serve as a local resource for farmers and market managers for program information and assistance as needed.

Activities to Support the Objective

Activity 1: Issue WIC FMNP food benefits via a FMNP booklet, to eligible participants based on established distribution protocol.

Activity 2: Provide nutrition education to FMNP food benefit recipients and document in the CDPH/WIC Division authorized MIS.

Activity 3: Provide instruction and information to FMNP recipients on the proper use of the booklet and locations where it may be used.

Activity 4: Designate an FMNP Coordinator and provide yearly in-service training to WIC local agency staff on program requirements.

Activity 5: Provide guidance and technical assistance as needed to farmers and market managers on program requirements.

Activity 6: Provide accountability for the receipt, storage, inventory, transportation, security, issuance, disposition and reconciliation of FMNP booklets assigned to the WIC local agency by CDPH/WIC Division.

Deliverables

- A. Prior to season start up, the Contractor shall submit an FMNP Season Start Up Package that includes the following components:
 1. Name and contact information of the WIC local agency's FMNP Coordinator;
 2. Materials and procedures for fruit and vegetable nutrition education of FMNP recipients;
 3. A printed list of local WIC-authorized markets informing FMNP recipients of where to use FMNP booklets;
 4. Instructional guidance for recipients on how to use FMNP booklets;
 5. Plan for providing in-service training to WIC local agency staff on FMNP procedures;
 6. Activities planned with local farmers' markets and market associations to promote program benefits and participation;
 7. A printed list or explanation of the method used to inform FMNP recipients where to use FMNP booklets; and
 8. Activities planned, if any, with local farmers' markets and market associations to promote program benefits and participation.
- B. The Contractor shall document nutrition education contacts in the CDPH/WIC Division authorized MIS for all FMNP benefit recipients.
- C. The Contractor shall adhere to all fiscal procedures required for FMNP restricted funds and keep continuous time reports for all staff performing FMNP-related duties.
- D. The Contractor shall submit by December 31st of each FFY, a completed FMNP Year End Report, reconciling the disposition (issued, lost, damaged, etc.) of all FMNP booklets assigned to the WIC local agency in the previous year.

Exhibit A, Attachment I
Statement of Work
Services to be Performed

Task 8: Breastfeeding Peer Counseling Program (only applies to the Contractor that receives funds for this service):

Objective: The Contractor shall perform all the work required to administer and provide mother to mother breastfeeding support services to WIC mothers following USDA/FNS WIC Breastfeeding Model Components for peer counseling services.

Activities to Support the Objective
Activity 1: Maintain and document an internal referral link between WIC Program and WIC BFPC Program.
Activity 2: Provide BFPC Program direct services as an enhancement to WIC Program breastfeeding services and support.
Activity 3: Provide regular supervision and monitoring of peer counselors.
Deliverables
A. A process for referring participants who would most benefit from mother to mother breastfeeding support to the Breastfeeding Peer Counseling program is maintained and WIC clinic staff and BFPC Program staff have been trained on this process.
B. Peer counselors maintain regular contact with program participants, provide basic breastfeeding information during contacts, and refer high risk issues outside of their scope of practice to the WIC designated breastfeeding expert.
C. All peer counselor and breastfeeding expert contacts, and all referrals to the WIC designated breastfeeding expert, are documented in the CDPH/WIC Division authorized MIS or program database.
D. The Contractor shall adhere to all fiscal procedures required for BFPC restricted funds and keep continuous time reports for all dual funded staff performing BFPC-related duties.

Exhibit A, Attachment I
Statement of Work
Services to be Performed

Task 9: Regional Breastfeeding Liaison Program (only applies to the Contractor that receives funds for this service):

Objective: The Contractor shall employ a dedicated staff member(s) as a Regional Breastfeeding Liaison (RBL) for WIC breastfeeding and program services outreach and promotions defined by the agency's RBL Action Plan. The RBL Program is designed to reduce the breastfeeding support gaps for WIC participants in the community.

Activities to Support the Objective
<p>Activity 1: The RBL will serve as a WIC breastfeeding liaison, and breastfeeding subject matter expert, to promote WIC Program services, including WIC breastfeeding support services, within their community or region by establishing/fostering relationships with community stakeholders who reach WIC-eligible participants and enhance continuity of care (e.g., community-based organizations, public health departments, health clinics, hospitals, businesses, MCAH/Perinatal Service Coordinators, women's shelters, community colleges, childcare centers, schools, employers, faith-based agencies, etc.).</p> <p>Activity 2: The RBL will work with health care providers, hospitals, employers, and community partners within their region to improve their understanding of breastfeeding, WIC's role as a breastfeeding resource, and to increase referrals to the WIC Program.</p>
Deliverables
<p>A. The Contractor shall develop an RBL Plan of Action using the CDPH/WIC Division's RBL Action Plan template.</p> <p>B. The Contractor shall adhere to all expenditure monitoring procedures and reporting as required by CDPH/WIC RBL Program staff.</p> <p>C. The RBL shall provide activity updates to the WIC Director(s) at the contracting agency each quarter or as required by the CDPH/WIC Division.</p> <p>D. The RBL shall participate in meetings, webinars, and conference calls required by the CDPH/WIC Division. As funding allows, attend approved conferences, including the California Breastfeeding Summit and California WIC Association (CWA) conferences.</p>

Exhibit A, Attachment II
Template Service Agreement for Third Party
Entity's Data Reporting System

Template
Service Agreement for Third Party Entity's Data Reporting System
Between Third Party Entity and California WIC Local Agency

This Fee for Service Agreement (this "Agreement") is made and entered into as of date by and between Third Party Entity and California WIC Local Agency, the party identified under Section I as the "Customer" for the purpose of this Agreement.

Identity of Customer:

Legal Name	
DBA of Customer	
Address	
City/State/Zip	
Business Telephone	
Email of Customer	
Name of Customer Contact	
Phone # of Customer Contact	

Identity of Third Party Entity:

Legal Name	
DBA	
Address	
City/State/Zip	
Business Telephone	
Data Reporting System Name	
Project Director Name	
Project Director Phone #	
Project Director Email	

Exhibit A, Attachment II
Template Service Agreement for Third Party
Entity's Data Reporting System

1. Term and Termination

- A. **Term:** The term of this Agreement shall begin after signed by both parties, and it shall remain in effect for the term of the current WIC local agency contract.
- B. **Termination without Cause:** Either party may terminate this Agreement at any time and for any reason with at least thirty (30) calendar days prior written notice to the other party.
- C. **Termination for Cause:** With reasonable cause, either party may terminate this Agreement effective immediately upon giving a written notice of termination for cause. Reasonable cause shall include a material violation or breach of this Agreement by the other party which is not cured within fifteen (15) calendar days after written notice from the terminating party.

2. Scope of Work

- A. The above Customer gives permission to Third Party Entity to download and access their Standard Local Agency Dataset (SLAD) on a monthly basis from the California Department of Public Health's data system. Third Party Entity System Administrators will have access to the Customer's WIC data contained in the SLAD files, and said files will reside at Third Party Entity for the purpose of this project.
- B. Customer's SLAD data, containing WIC participant identifiable information, will not be shared with any entity outside of this Customer without written permission.
- C. Third Party Entity will use the SLAD files to generate a standard set of caseload reports for this Customer and will provide the Customer access to those reports on a secure website.
- D. This Customer will only have access to detailed reports on its own participant data. Some reports may contain aggregated data from other California Local WIC Agencies also using the Third Party Entity's Data Reporting System for comparison of overall statistics. Individual California Local WIC Agencies are not identified in these aggregated data reports, and the Third Party Entity's Data Reporting System will only display aggregated data from other California Local WIC agencies for comparison purposes if the Third Party Entity's Data Reporting System includes 10 or more California Local WIC Agencies.
- E. The following services will be provided by the Third Party Entity:
 - 1) Third Party Entity will host and provide support (including backup, recovery and periodic software updates) for the Third Party Entity's Data Reporting System.
 - 2) Third Party Entity will add all new users to the system as User Security Affidavits (USA) are received from this Customer.

Exhibit A, Attachment II
Template Service Agreement for Third Party
Entity's Data Reporting System

3. Cost

Third Party Entity will invoice the Customer on an annual basis, and payment will be due from the Customer upon receipt of invoice for services.

Formula used to determine cost per year	
The total cost for this Customer for a full year will be:	\$

4. Indemnification

Each party shall indemnify, defend and hold harmless the other party and its officers, directors, trustees, and employees from and against any claim, demand, liability, loss, judgment, settlement, suit, action, cost or expense, including reasonable attorneys' fees, arising out of or incident to the negligent or intentional acts or omissions of the Indemnifying Party, its officers, directors or employees in connection with this Agreement.

5. Insurance

Third Party Entity shall obtain and maintain on file in full force and effect throughout the term of this Agreement, and thereafter as to matters occurring during the term of this Agreement, the following insurance coverage:

A. Workers' Compensation insurance

- 1) E.L. Each Accident \$1,000,000
- 2) E.L. Disease EA Employee \$1,000,000
- 3) E.L. Disease Policy Limit \$1,000,00

B. Liability insurance

Third Party Entity shall obtain and maintain in full force and effect during the term of this Agreement the following liability insurance coverages, issued by a company admitted to do business in California and with an A.M. Best rating of A: VII or better, or equivalent self-insurance.

C. General Liability

Commercial general liability [CGL] insurance coverage (personal injury and property damage) of not less than ONE MILLION DOLLARS (\$1,000,000) combined single limit per occurrence, covering liability or claims for any personal injury, including death, to any person and/or damage to the property of any person arising from the acts or omissions of Third Party Entity or any officer, agent, or employee of Third Party Entity under this Agreement. If the coverage includes an aggregate limit, the aggregate limit shall be no less than twice the per occurrence limit.

Exhibit A, Attachment II
Template Service Agreement for Third Party
Entity's Data Reporting System

D. Professional Liability/Errors and Omissions

Third Party Entity shall provide professional liability or errors and omissions insurance for all activities of Third Party Entity arising out of or in connection with this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000) per claim.

E. Comprehensive Automobile Liability Insurance

If Third Party Entity's obligations under this Agreement shall involve the operation of owned, hired, leased and/or non-owned vehicles, Third Party Entity shall provide comprehensive automobile liability insurance (Bodily Injury and Property Damage) on owned, hired, leased and non-owned vehicles used in conjunction with Third Party Entity's business of not less than THREE HUNDRED THOUSAND DOLLARS (\$300,000) combined single limit per occurrence.

6. Confidentiality

A. Maintenance of Confidential Information

Confidential information is defined as all information disclosed to or created by Third Party Entity which relates to the Customer's past, present, and future activities, as well as activities under this Agreement. Third Party Entity shall hold all such information as Third Party Entity may receive or create, if any, in trust and confidence, except with the prior written approval of the Customer, as expressed through the identified contact for this Agreement. Upon cancellation or expiration of this Agreement, to the extent permitted by law, Third Party Entity shall delete all online data which contains any such confidential information, except that Third Party Entity may retain for its files a copy of Third Party Entity's work product if such product has been made available to the public by the customer.

B. Protection of Personally Identifiable Information and Protected Health Information

- 1) This software system does not contain any Protected Health Information (PHI) and is therefore not constrained by HIPAA regulations.
- 2) This software system does contain information managed by The California Department of Public Health, The Special Supplemental Nutrition Program for Women, Infants and Children (CDPH/WIC) and all data shall be managed and kept confidential according to the rules governing CDPH/WIC.
- 3) Third Party Entity shall ensure that its staff is trained to its privacy and security policies and procedures and that appropriate physical, technological and administrative safeguards are in place to protect the confidentiality of the Customer's information; these standards, will, at a minimum, conform to CDPH's standards as outlined in its *Information Privacy and Security Requirements (For Non-HIPAA/HITECH Act Contracts)*. This document is the standard Exhibit G included in the October 2015 – September 2019 contracts between CDPH/WIC and each WIC Local Agency.
- 4) Third Party Entity agrees to notify the Customer immediately of any unauthorized access to or

Exhibit A, Attachment II
Template Service Agreement for Third Party
Entity's Data Reporting System

disclosure of WIC information that it becomes aware of.

- 5) Third Party Entity will be responsible for all costs associated with Third Party Entity's breach of the security and the privacy of the Customer's WIC information, or its unauthorized access to or disclosure, including, but not limited to, mitigation of the breach, cost to the Customer of any monetary sanctions resulting from breach, notification of individuals affected by the breach, and any other action required by federal, state, or local laws, rules or regulations.

7. Notices

Notices shall be delivered in person, via email or by deposit in the United States mail, by certified mail, postage prepaid, return receipt requested. Any mailed notice, demand, request, consent, approval or communication that either party desires to give the other party shall be addressed to the other party at the address set forth below. Either party may change its address by notifying the other party of the change of address. Any notice sent by email/mail in the manner prescribed by this paragraph shall be deemed to have been received on the date noted on the return receipt or five days following the date of deposit, whichever is earlier.

Customer:

Name	
Attn.	
Address	
Email	

Third Party Entity:

Name	
Attn.	
Address	
Email	

8. Venue

This Agreement is entered into in Third Party Entity's County, California. This Agreement shall be interpreted, construed and governed by, in accordance with and consistent with the laws of the State of California without giving effect to its conflicts of laws principals. Such laws shall apply in all respects, including statutes of limitation, to any disputes or controversies arising out of or pertaining to this Agreement. The sole, exclusive and proper venue for any proceedings brought to interpret or enforce this Agreement or to obtain a declaration of the rights of the parties hereunder shall be Third Party Entity's County, California. Each of the parties hereto submits to the exclusive personal jurisdiction of

Exhibit A, Attachment II
Template Service Agreement for Third Party
Entity's Data Reporting System

the courts located in Third Party Entity's County, California and waives any defense of forum non conveniens.

9. Access to Records/Retention

The Customer, any federal or state grantor agency funding all or part of the compensation payable hereunder, the State Controller, the Comptroller General of the United States, or the duly authorized representatives of any of the above, shall have access to any books, documents, papers and records of Third Party Entity which are directly pertinent to the subject matter of this Agreement for the purpose of making audit, examination, excerpts and transcriptions. Except where longer retention is required by any federal or state law, Third Party Entity shall maintain all required Agreement related records for at least seven (7) years after the Customer makes final payment for any other work authorized hereunder and all pending matters are closed, whichever is later.

WIC data contained in the system shall be retained for one (1) year after the termination of the Agreement unless otherwise requested by the Customer.

10. Administration

The below signed parties certify that they have read and understood the nature and scope of this Agreement and support it in its entirety. The individual signing this Agreement on behalf of an entity represents and warrants that he/she has authority to bind such entity to this Agreement.

Customer:

Signature	
Date	
Printed Name	
Title	

Third Party Entity:

Signature	
Date	
Printed Name	
Title	

Exhibit B
Budget Detail and Payment Provisions

1. Invoicing and Payment

- A. In no event shall the Contractor request reimbursement from the State for obligations entered into or for costs incurred prior to the commencement date or after the expiration of this Agreement.
- B. For services satisfactorily rendered, and upon receipt and approval of the invoices, CDPH agrees to compensate the Contractor for actual expenditures incurred in accordance with the Budget Line Item amounts specified in Attachment I, of this Exhibit.
- C. Invoices shall include the Agreement Number and shall be submitted not more frequently than bi-weekly in arrears to:

Contract Manager: Paul Melnikov
California Department of Public Health
WIC Division
MS 8600
3901 Lennane Drive
Sacramento, CA 95834

The State, at its discretion, may designate an alternate invoice submission address. A change in the invoice address shall be accomplished via a written notice to the Contractor by the State and shall not require an amendment to this agreement.

- D. Invoices shall:
 - 1) Be prepared on the Contractor letterhead. If invoices are not on produced letterhead invoices must be signed by an authorized official, employee or agent certifying that the expenditures claimed represent activities performed and are in accordance with Exhibit A.
 - 2) Identify the billing and/or performance period covered by the invoice.
 - 3) Itemize costs for the billing period in the same or greater level of detail as indicated in this agreement. Subject to the terms of this agreement, reimbursement may only be sought for those costs and/or cost categories expressly identified as allowable in this agreement and approved by CDPH.

E. Amounts Payable

The amounts payable under this agreement shall not exceed:

\$ 5,412,066.00 for the budget period of 10/01/19 through 09/30/22.

2. Budget Contingency Clause

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to the Contractor or to furnish any other considerations under this Agreement and the Contractor shall not be obligated to perform any provisions of this Agreement.

Exhibit B
Budget Detail and Payment Provisions

- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement amendment to the Contractor to reflect the reduced amount.

3. Prompt Payment Clause

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

4. Timely Submission of Final Invoice

- A. Final undisputed invoice shall be submitted for payment no more than forty-five (45) calendar days following the expiration or termination date of this agreement, unless a later or alternate deadline is agreed to in writing by the program Contract Manager. Said invoice should be clearly marked "Final Invoice", indicating that all payment obligations of the State under this agreement have ceased and that no further payments are due or outstanding. The State may, at its discretion, choose not to honor any delinquent final invoice if the Contractor fails to obtain prior written State approval of an alternate final invoice submission deadline.
- B. The Contractor is hereby advised of its obligation to submit to the state, with the final invoice, a completed copy of the "**Contractor's Release (Exhibit H)**".

5. Expense Allowability / Fiscal Documentation

- A. Invoices, received from the Contractor and accepted for payment by the State, shall not be deemed evidence of allowable agreement costs.
- B. The Contractor shall maintain for review and audit and supply to CDPH upon request, adequate documentation of all expenses claimed pursuant to this agreement to permit a determination of expense allowability.
- C. If the allowability of an expense cannot be determined by the State because invoice detail, fiscal records, or backup documentation is nonexistent or inadequate according to generally accepted accounting principles or practices, all questionable costs may be disallowed and payment may be withheld by the State. Upon receipt of adequate documentation supporting a disallowed or questionable expense, reimbursement may resume for the amount substantiated and deemed allowable.

6. Recovery of Overpayments

- A. The Contractor agrees that claims based upon the terms of this agreement or an audit finding and/or an audit finding that is appealed and upheld, will be recovered by the State by one of the following options:
- 1) The Contractor's remittance to the State of the full amount of the audit exception within 30 days following the State's request for repayment;
 - 2) A repayment schedule which is agreeable to both the State and the Contractor.

Exhibit B
Budget Detail and Payment Provisions

- B. The State reserves the right to select which option as indicated above in paragraph A will be employed and the Contractor will be notified by the State in writing of the claim procedure to be utilized.
- C. Interest on the unpaid balance of the audit finding or debt will accrue at a rate equal to the monthly average of the rate received on investments in the Pooled Money Investment Fund commencing on the date that an audit or examination finding is mailed to the Contractor, beginning 30 days after the Contractor's receipt of the State's demand for repayment.
- D. If the Contractor has filed a valid appeal regarding the report of audit findings, recovery of the overpayments will be deferred until a final administrative decision on the appeal has been reached. If the Contractor loses the final administrative appeal, the Contractor shall repay, to the State, the over-claimed or disallowed expenses, plus accrued interest. Interest accrues from the Contractor's first receipt of State's notice requesting reimbursement of questioned audit costs or disallowed expenses.

7. Advance Payments

No advance payment is allowed under this Contract.

8. Travel and Per Diem Reimbursement

Any reimbursement for necessary travel and per diem shall, unless otherwise specified in this Agreement, be at the rates currently in effect, as established by the California Department of Human Resources (Cal HR). If the Cal HR rates change during the term of the Agreement, the new rates shall apply upon their effective date and no amendment to this Agreement shall be necessary. No travel outside the state of California shall be reimbursed without prior authorization from the CDPH. Verbal authorization should be confirmed in writing. Written authorization may be in a form including fax or email confirmation. See CalHR website:
<http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx>.

9. Additional Invoicing Requirements

- A. The Contractor shall request reimbursement using an Invoice Workbook provided by the CDPH/WIC Division for allowable WIC Program costs incurred. Invoices submitted in any other form will not be accepted.
- B. The Contractor shall document its Nutrition Services Administration (NSA) operating expenses for each billing period on the NSA Operating Expenses Workbook provided by the CDPH/WIC Division.
- C. Invoices shall be signed by the Contractor's preparer of the invoice, and the Agency Director or its authorized designee. A Designee Letter signed by the Agency Director on the Contractor's letterhead, shall be submitted to the CDPH/WIC Division to identify and authorize the designee. The designee shall not be the preparer of the invoice.
- D. The Contractor shall submit one (1) original invoice on a bi-weekly, monthly or quarterly basis. Once the frequency of submission is established, the frequency may not change unless an

Exhibit B
Budget Detail and Payment Provisions

alternate period has been requested, and written approval is provided by the CDPH/WIC Division.

- E. Invoices shall be submitted for payment no more than forty-five (45) calendar days following the close of each billing period.
- F. The Contractor shall submit the following with each invoice packet:
 - 1) The completed invoice (signed)
 - 2) The corresponding NSA Operating Expenses Worksheet
 - 3) The NSA Operating Expenses Master Summary Worksheet
- G. The CDPH/WIC Division reserves the right to deny, disallow, or claim-cut any charges for noncompliance on any outstanding invoice. If payment of an invoice is denied, the invoice packet will be returned to the Contractor, along with a Dispute Notification. The Contractor shall return the corrected invoice packet to the CDPH/WIC Division within 5 working days. Upon receipt of a corrected invoice packet, CDPH has 45 days from the date of receipt to review and process for payment.
- H. Year-End Requirements:
 - 1) If applicable, the Contractor shall submit a complete and accurate list of Unliquidated Obligations (ULOs) following the end of each FFY of this Agreement by November 15th, using the ULO Worksheet provided by the CDPH/WIC Division. All obligations must be liquidated and request for reimbursement included on the final Year-End Supplemental Invoice.
 - 2) If applicable, the Contractor shall submit a final Year-End Supplemental Invoice no later than December 1st, following the end of each FFY of this Agreement. The CDPH/WIC Division may, at its discretion, choose not to honor requests for an extension to the deadline for the final Year-End Supplemental Invoice.
 - 3) The Contractor shall submit a completed copy of the Report of Actual Expenditures (RAE) packet no later than December 15th, following the end of each FFY of this Agreement, using the RAE Workbook provided by the CDPH/WIC Division. The Contractor shall refer to the Exhibit A, Scope of Work, Provision 7.A.13 for more details on the RAE requirements.

Exhibit B, Attachment I
Budget Detail Worksheet
October 1, 2019 - September 30, 2022

					Year 1		Year 2		Year 3		Total
					10/1/2019 - 9/30/2020		10/1/2020 - 9/30/2021		10/1/2021 - 9/30/2022		
Personnel	Exhibit A SOW 7.A.	Exhibit A Attach I	Current Base Annual Salary Minimum	Current Base Annual Salary Maximum	FTE	Budgeted Amount	FTE	Budgeted Amount	FTE	Budgeted Amount	
WIC Position Title											FTE
WIC Director	1-18,20-23,4.d	1-9	71,208	90,900	0.85	66,739	0.85	70,076	0.85	73,580	210,395
Registered Dietitian (Regional Breastfeeding Liasion, Farmers' Market Coordinator)	2, 5, 7, 9, 10, 12	9	52,608	67,140	1.50	100,000	1.50	100,000	1.50	100,000	300,000
WIC Supervisor	21-22	1-5, 7-8	47,496	60,612	3.00	175,354	3.00	180,994	3.00	181,836	538,184
WIC Clerk	9, 12	3-5, 7	27,768	35,436	1.00	35,436	0.90	31,892	0.90	31,892	99,220
WIC Nutrition Assistant I	12	1-5, 7	27,228	34,752	1.00	31,502	1.00	33,078	1.00	34,731	99,311
WIC Nutrition Assistant II	4.h, 7, 12, 18	1-5, 6-8	30,024	38,316	8.00	297,118	8.00	300,772	8.00	302,472	900,362
Dietetic Technician	4.f, 5, 7, 8, 12, 14	1-5, 7	40,224	51,348	1.00	51,348	1.00	51,348	1.00	51,348	154,044
WIC Clerk	12	3-5, 7	27,768	35,436	1.00	31,172	0.90	29,458	0.90	30,931	91,561
WIC Help Desk	9, 12	4-5	38,496	49,140	0.25	11,175	0.15	7,040	0.15	7,371	25,586
Peer Counselor	9, 12	4,8	32,616	41,628	1.00	41,628	1.00	41,628	1.00	41,628	124,884
WIC Administration Support/WIC Clerk	12	3-5, 7	27,768	33,588	1.00	33,588	0.90	30,229	0.90	30,229	94,046
Overtime ③											-
Salaries and Wages						875,060		876,515		886,018	2,637,593
Total FTE					19.60		19.20		19.20		
Fringe Benefits ④					Percent	Budgeted Amount	Percent	Budgeted Amount	Percent	Budgeted Amount	Total
					46.0000%	402,527	46.0000%	403,196	46.0000%	407,568	1,213,291
Total Personnel						1,277,587		1,279,711		1,293,586	3,850,884
Operating Expenses						Budgeted Amount		Budgeted Amount		Budgeted Amount	Total
General Expenses ⑤	6, 17,18,19	1-9				35,036		36,266		32,209	103,511
Travel ⑥	8	1-9				17,975		15,975		13,683	47,633
Training	4, 5, 7, 17	1-9				7,435		6,235		4,185	17,855
Outreach/Media/Promotion	17	1-9				16,273		15,588		6,643	38,504
Facility Costs (See Exhibit B, Attach II for breakdown) ⑦	11	1-9				130,320		130,320		130,320	390,960
Total Operating Expenses						207,039		204,384		187,040	598,463
Major Equipment ⑧ (Unit Cost of \$5,000 or More)						Budgeted Amount		Budgeted Amount		Budgeted Amount	Total
Equipment ⑨	6,17,18, 20, 21	1-9				-		-		-	-
Vehicles ⑩	8, 17,18,19	1-9						-		-	-
Total Major Equipment						-		-		-	-
Subcontracts ⑪						Budgeted Amount		Budgeted Amount		Budgeted Amount	Total
Total Subcontracts						-		-		-	-
Indirect Costs					Percent	Budgeted Amount	Percent	Budgeted Amount	Percent	Budgeted Amount	Total
Total Personnel Costs					25.0000%	319,396	25.0000%	319,927	25.0000%	323,396	962,719
Total Indirect Costs						319,396		319,927		323,396	962,719
Total Budget						\$ 1,804,022		\$ 1,804,022		\$ 1,804,022	\$ 5,412,066

*All costs will be reviewed by CDPH for approval

(1) Bilingual - Positions that receive Bilingual pay will show a higher budgeted amount. Justification and back-up documentation will be kept on file.

(2) Additional Pay (Longevity, Retention, Differential and COLA) - Positions that receive these compensations will show a higher budgeted amount. Justification and back-up documentation will be kept on file.

(3) Overtime - Requires justification if amount does not seem reasonable. Justification will be kept on file.

(4) Fringe Benefits - Justification and back-up documentation will be kept on file for any fringe benefit rate that exceeds 50%.

(5) General Expenses - Includes items such as: Minor equipment (i.e., office furniture, IT equipment, anthropometric items, etc.), professional certifications, audit costs, vehicle maintenance, IT maintenance, program materials, office expenses (i.e., telephone services, printing, postage, supplies, etc.), etc.

(6) Travel - All costs reimbursed shall be in accordance with CalHR rates.

(7) Facility Costs - Includes Rent, Utilities, Janitorial, Security, and Maintenance.

(8) Major Equipment - Unit cost must be \$5,000 or more. Refer to Exhibit D, Provision 1 for procurement rules.

(9) Equipment - Includes items such as: Telephone systems, information technology equipment, photocopy machines, etc.

(10) Vehicles - Will be used for Facility Site Visits, Conferences, Trainings, and Outreach.

(11) Subcontractors - See the 285 of 432's name and short list of services provided.

Exhibit B, Attachment II
Facility Cost Worksheet
OCTOBER 1, 2019 - SEPTEMBER 30, 2022

Total Facility Costs:				Year 1 Total		Year 2 Total		Year 3 Total
\$ 390,960				\$ 130,320		\$ 130,320		\$ 130,320
Site Street Address, City, State & Zip Code	Type of Space (i.e., Clinic Site, Admin, Training Center, Warehouse, Storage Area, Satellite site)	Total Square Footage	Total Cost of Site Per Month	Total Site Cost Per Year	Total Cost of Site Per Month	Total Site Cost Per Year	Total Cost of Site Per Month	Total Site Cost Per Year
37092 Main St., Burney, CA 96013	Clinic Site	350	213	2,556	213	2,556	213	2,556
44218 A St., McArthur, CA 96056	Clinic Site	200	167	2,004	167	2,004	167	2,004
2889 East Center St., Anderson, CA 96007	Clinic Site	850	-	-	-	-	-	-
4216 Shasta Dam Blvd, Shasta Lake City, CA 96019	Clinic Site	250	607	7,284	607	7,284	607	7,284
7752 Ponderosa Way, Rm 19, Shingletown, CA 96088	Clinic Site	200	-	-	-	-	-	-
2727 Churn Creek Rd, Suite B, Redding, CA 96002	Clinic Site	1610	1,106	13,272	1,106	13,272	1,106	13,272
1670 Market St, Suite 300, Redding, CA 96001	Clinic Site/Admin	2960	5,367	64,404	5,367	64,404	5,367	64,404
2420 Breslauer Way, Redding CA 96001	Training Center	0	3,400	40,800	3,400	40,800	3,400	40,800

Exhibit D
Special Terms and Conditions

(For Subvention/Local Assistance Agreements)

The provisions herein apply to this Agreement unless the provisions are removed by reference, the provisions are superseded by an alternate provision appearing elsewhere in this Agreement, or the applicable conditions do not exist.

Index of Special Terms and Conditions

1. Procurement Rules	11. Officials Not to Benefit
2. Equipment Ownership / Inventory / Disposition	12. Prohibited Use of State Funds for Software
3. Subcontract Requirements	13. Contract Uniformity (Fringe Benefit Allowability)
4. Income Restrictions	14. Cancellation
5. Site Inspection	
6. Intellectual Property Rights	
7. Prior Approval of Training Seminars, Workshops or Conferences	
8. Confidentiality of Information	
9. Documents, Publications, and Written Reports	
10. Dispute Resolution Process	

Exhibit D
Special Terms and Conditions

1. Procurement Rules

(Applicable to all agreements in which equipment, property, commodities and/or supplies are furnished by CDPH or expenses for said items are reimbursed with state or federal funds.)

a. Equipment definitions

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

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

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

- (1) Equipment purchases shall not exceed \$50,000 annually.

To secure equipment above the annual maximum limit of \$50,000, the Contractor shall make arrangements through the appropriate CDPH Program Contract Manager, to have all remaining equipment purchased through CDPH's Purchasing Unit. The cost of equipment purchased by or through CDPH shall be deducted from the funds available in this Agreement. Contractor shall submit to the CDPH Program Contract Manager a list of equipment specifications for those items that the State must procure. The State may pay the vendor directly for such arranged equipment purchases and title to the equipment will remain with CDPH. The equipment will be delivered to the Contractor's address, as stated on the face of the Agreement, unless the Contractor notifies the CDPH Program Contract Manager, in writing, of an alternate delivery address.

- (2) All equipment purchases are subject to paragraphs d through g of this provision. Paragraph b of this provision shall also apply, if equipment purchases are delegated to subcontractors that are either a government or public entity.
- (3) Nonprofit organizations and commercial businesses, shall use a procurement system that meets the following standards:
 - (a) Maintain a code or standard of conduct that shall govern the performance of its officers,

Exhibit D
Special Terms and Conditions

employees, or agents engaged in awarding procurement contracts. No employee, officer, or agent shall participate in the selection, award, or administration of a procurement, or bid contract in which, to his or her knowledge, he or she has a financial interest.

- (b) Procurements shall be conducted in a manner that provides, to the maximum extent practical, open, and free competition.
- (c) Procurements shall be conducted in a manner that provides for all of the following:
 - [1] Avoid purchasing unnecessary or duplicate items.
 - [2] Equipment solicitations shall be based upon a clear and accurate description of the technical requirements of the goods to be procured.
 - [3] Take positive steps to utilize small and veteran owned businesses.
- d. Unless waived or otherwise stipulated in writing by CDPH, prior written authorization from the appropriate CDPH Program Contract Manager will be required before the Contractor will be reimbursed for any purchase **exceeding** \$2,500 or more for commodities, supplies, equipment, and services related to such purchases. The Contractor must provide in its request for authorization all particulars necessary, as specified by CDPH, for evaluating the necessity or desirability of incurring such costs. The term "purchase" excludes the purchase of services from a subcontractor and public utility services at rates established for uniform applicability to the general public.
- e. In special circumstances, determined by CDPH (e.g., when CDPH has a need to monitor certain purchases, etc.), CDPH may require prior written authorization and/or the submission of paid vendor receipts for any purchase, regardless of dollar amount. CDPH reserves the right to either deny claims for reimbursement or to request repayment for any Contractor purchase that CDPH determines to be unnecessary in carrying out performance under this Agreement.
- f. The Contractor must maintain a copy or narrative description of the procurement system, guidelines, rules, or regulations that will be used to make purchases under this Agreement. The State reserves the right to request a copy of these documents and to inspect the purchasing practices of the Contractor at any time.
- g. For all purchases, the Contractor must maintain copies of all paid vendor invoices, documents, bids and other information used in vendor selection, for inspection or audit. Justifications supporting the absence of bidding (i.e., sole source purchases) shall also be maintained on file by the Contractor for inspection or audit.

2. Equipment Ownership / Inventory / Disposition

(Applicable to agreements in which equipment and/or property is furnished by CDPH and/or when said items are purchased or reimbursed with state)

- a. Wherever the terms equipment and/or property are used in this provision, the definitions in provision 1, paragraph a., shall apply.

Unless otherwise stipulated in this Agreement, all equipment and/or property that are

Exhibit D
Special Terms and Conditions

purchased/reimbursed with agreement funds or furnished by CDPH under the terms of this Agreement shall be considered state equipment and the property of CDPH.

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

Upon receipt of equipment and/or property, the Contractor shall report the receipt to the CDPH Program Contract Manager. To report the receipt of said items and to receive property tags, Contractor shall use a form or format designated by CDPH's Asset Management Unit. If the appropriate form (i.e., Contractor Equipment Purchased with CDPH Funds) does not accompany this Agreement, Contractor shall request a copy from the CDPH Program Contract Manager.

- (2) If the Contractor enters into an agreement with a term of more than twelve months, the Contractor shall submit an annual inventory of state equipment and/or property to the CDPH Program Contract Manager using a form or format designated by CDPH's Asset Management Unit. If an inventory report form (i.e., Inventory/Disposition of CDPH-Funded Equipment) does not accompany this Agreement, Contractor shall request a copy from the CDPH Program Contract Manager. Contractor shall:

- (a) Include in the inventory report, equipment and/or property in the Contractor's possession and/or in the possession of a subcontractor (including independent consultants).
 - (b) Submit the inventory report to CDPH according to the instructions appearing on the inventory form or issued by the CDPH Program Contract Manager.
 - (c) Contact the CDPH Program Contract Manager to learn how to remove, trade-in, sell, transfer or survey off, from the inventory report, expired equipment and/or property that is no longer wanted, usable or has passed its life expectancy. Instructions will be supplied by CDPH's Asset Management Unit.
- b. Title to state equipment and/or property shall not be affected by its incorporation or attachment to any property not owned by the State.
 - c. Unless otherwise stipulated, CDPH shall be under no obligation to pay the cost of restoration, or rehabilitation of the Contractor's and/or Subcontractor's facility which may be affected by the removal of any state equipment and/or property.
 - d. The Contractor shall maintain and administer a sound business program for ensuring the proper use, maintenance, repair, protection, insurance and preservation of state equipment and/or property.
 - (1) In administering this provision, CDPH may require the Contractor to repair or replace, to CDPH's satisfaction, any damaged, lost or stolen state equipment and/or property. Contractor shall immediately file a theft report with the appropriate police agency or the California Highway Patrol and Contractor shall promptly submit one copy of the theft report to the CDPH Program Contract Manager.
 - e. Unless otherwise stipulated by the program funding this Agreement, equipment and/or property purchased/reimbursed with agreement funds or furnished by CDPH under the terms of this

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Agreement, shall only be used for performance of this Agreement or another CDPH agreement.

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

g. **Motor Vehicles**

(Applicable only if motor vehicles are purchased/reimbursed with agreement funds or furnished by CDPH under this Agreement.)

- (1) If motor vehicles are purchased/reimbursed or furnished by CDPH under the terms of this Agreement, within thirty (30) calendar days prior to the termination or end of this Agreement, the Contractor shall return such vehicles to CDPH and shall deliver all necessary documents of title or registration to enable the proper transfer of a marketable title to CDPH.
- (2) If motor vehicles are purchased/reimbursed or furnished by CDPH under the terms of this Agreement, **the State of California shall be the legal owner of said motor vehicles and the Contractor shall be the registered owner.** The Contractor shall only use said vehicles for the performance under the terms of this Agreement.
- (3) The Contractor agree that all operators of motor vehicles, purchased/reimbursed or furnished by CDPH under the terms of this Agreement, shall hold a valid State of California driver's license. In the event that ten or more passengers are to be transported in any one vehicle, the operator shall also hold a State of California Class B driver's license.
- (4) If any motor vehicle is purchased/reimbursed or furnished by CDPH under the terms of this Agreement, the Contractor, as applicable, shall provide, maintain, and certify that, at a minimum, the following type and amount of automobile liability insurance is in effect during the term of this Agreement or any extension period during which any vehicle remains in the Contractor's possession:

Automobile Liability Insurance

- (a) The Contractor, by signing this Agreement, hereby certifies that it possesses or will obtain automobile liability insurance in the amount of \$1,000,000 per occurrence for bodily injury and property damage combined. Said insurance must be obtained and made effective upon the delivery date of any motor vehicle, purchased/reimbursed with agreement funds or furnished by CDPH under the terms of this Agreement, to the Contractor.
- (b) The Contractor shall, as soon as practical, furnish a copy of the certificate of insurance to the CDPH Program Contract Manager. The certificate of insurance shall identify the CDPH contract or agreement number for which the insurance applies.

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- (c) The Contractor agree that bodily injury and property damage liability insurance, as required herein, shall remain in effect at all times during the term of this Agreement or until such time as the motor vehicle is returned to CDPH.
- (d) The Contractor agree to provide, at least thirty (30) days prior to the expiration date of said insurance coverage, a copy of a new certificate of insurance evidencing continued coverage, as indicated herein, for not less than the remainder of the term of this Agreement, the term of any extension or continuation thereof, or for a period of not less than one (1) year.
- (e) The Contractor, if not a self-insured government and/or public entity, must provide evidence, that any required certificates of insurance contain the following provisions:
 - [1] The insurer will not cancel the insured's coverage without giving thirty (30) calendar days prior written notice to the State.
 - [2] The State of California, its officers, agents, employees, and servants are included as additional insureds, but only with respect to work performed for the State under this Agreement and any extension or continuation of this Agreement.
 - [3] The insurance carrier shall notify CDPH, in writing, of the Contractor's failure to pay premiums; its cancellation of such policies; or any other substantial change, including, but not limited to, the status, coverage, or scope of the required insurance. Such notices shall contain a reference to each agreement number for which the insurance was obtained.
- (f) The Contractor is hereby advised that copies of certificates of insurance may be subject to review and approval by the Department of General Services (DGS), Office of Risk and Insurance Management. The Contractor shall be notified by CDPH, in writing, if this provision is applicable to this Agreement. If DGS approval of the certificate of insurance is required, the Contractor agrees that no work or services shall be performed prior to obtaining said approval.
- (g) In the event the Contractor fails to keep insurance coverage, as required herein, in effect at all times during vehicle possession, CDPH may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event.

3. Subcontract Requirements

(Applicable to agreements under which services are to be performed by subcontractors including independent consultants.)

- a. Prior written authorization will be required before the Contractor enters into or is reimbursed for any subcontract for services exceeding \$2,500 for any articles, supplies, equipment, or services. The Contractor shall obtain at least three competitive quotations which should be submitted or adequate justification provided for the absence of bidding.
- b. CDPH reserves the right to approve or disapprove the selection of subcontractors and with advance written notice, require the substitution of subcontractors and require the Contractor to terminate subcontracts entered into in support of this Agreement.

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- (1) Upon receipt of a written notice from CDPH requiring the substitution and/or termination of a subcontract, the Contractor shall take steps to ensure the completion of any work in progress and select a replacement, if applicable, within 30 calendar days, unless a longer period is agreed to by CDPH.
- c. Actual subcontracts (i.e., written agreement between the Contractor and a subcontractor) exceeding \$2,500 are subject to the prior review and written approval of CDPH.
 - d. Contractor shall maintain a copy of each subcontract entered into in support of this Agreement and shall, upon request by CDPH, make copies available for approval, inspection, or audit.
 - e. CDPH assumes no responsibility for the payment of subcontractors used in the performance of this Agreement. Contractor accepts sole responsibility for the payment of subcontractors used in the performance of this Agreement.
 - f. The Contractor is responsible for all performance requirements under this Agreement even though performance may be carried out through a subcontract.
 - g. The Contractor shall ensure that all subcontracts for services include provision(s) requiring compliance with applicable terms and conditions specified in this Agreement and shall be the subcontractor's sole point of contact for all matters related to the performance and payment during the term of this Agreement.
 - h. The Contractor agrees to include the following clause, relevant to record retention, in all subcontracts for services:

"(Subcontractor Name) agrees to maintain and preserve, until three years after termination of (Agreement Number) and final payment from CDPH to the Contractor, to permit CDPH or any duly authorized representative, to have access to, examine or audit any pertinent books, documents, papers and records related to this subcontract and to allow interviews of any employees who might reasonably have information related to such records."

4. Income Restrictions

Unless otherwise stipulated in this Agreement, the Contractor agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Contractor under this Agreement shall be paid by the Contractor to CDPH, to the extent that they are properly allocable to costs for which the Contractor has been reimbursed by CDPH under this Agreement.

5. Site Inspection

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

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6. Intellectual Property Rights

a. Ownership

- (1) Except where CDPH has agreed in a signed writing to accept a license, CDPH shall be and remain, without additional compensation, the sole owner of any and all rights, title and interest in all Intellectual Property, from the moment of creation, whether or not jointly conceived, that are made, conceived, derived from, or reduced to practice by Contractor or CDPH and which result directly or indirectly from this Agreement.
- (2) For the purposes of this Agreement, Intellectual Property means recognized protectable rights and interest such as: patents, (whether or not issued) copyrights, trademarks, service marks, applications for any of the foregoing, inventions, trade secrets, trade dress, logos, insignia, color combinations, slogans, moral rights, right of publicity, author's rights, contract and licensing rights, works, mask works, industrial design rights, rights of priority, know how, design flows, methodologies, devices, business processes, developments, innovations, good will and all other legal rights protecting intangible proprietary information as may exist now and/or here after come into existence, and all renewals and extensions, regardless of whether those rights arise under the laws of the United States, or any other state, country or jurisdiction.
 - (a) For the purposes of the definition of Intellectual Property, "works" means all literary works, writings and printed matter including the medium by which they are recorded or reproduced, photographs, art work, pictorial and graphic representations and works of a similar nature, film, motion pictures, digital images, animation cells, and other audiovisual works including positives and negatives thereof, sound recordings, tapes, educational materials, interactive videos and any other materials or products created, produced, conceptualized and fixed in a tangible medium of expression. It includes preliminary and final products and any materials and information developed for the purposes of producing those final products. Works does not include articles submitted to peer review or reference journals or independent research projects.
- (3) In the performance of this Agreement, Contractor will exercise and utilize certain of its Intellectual Property in existence prior to the effective date of this Agreement. In addition, under this Agreement, Contractor may access and utilize certain of CDPH's Intellectual Property in existence prior to the effective date of this Agreement. Except as otherwise set forth herein, Contractor shall not use any of CDPH's Intellectual Property now existing or hereafter existing for any purposes without the prior written permission of CDPH. **Except as otherwise set forth herein, neither the Contractor nor CDPH shall give any ownership interest in or rights to its Intellectual Property to the other Party.** If during the term of this Agreement, Contractor accesses any third-party Intellectual Property that is licensed to CDPH, Contractor agrees to abide by all license and confidentiality restrictions applicable to CDPH in the third-party's license agreement.
- (4) Contractor agrees to cooperate with CDPH in establishing or maintaining CDPH's exclusive rights in the Intellectual Property, and in assuring CDPH's sole rights against third parties with respect to the Intellectual Property. If the Contractor enters into any agreements or subcontracts with other parties in order to perform this Agreement, Contractor shall require the terms of the Agreement(s) to include all Intellectual Property provisions. Such terms must include, but are not limited to, the subcontractor assigning and agreeing to assign to

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CDPH all rights, title and interest in Intellectual Property made, conceived, derived from, or reduced to practice by the subcontractor, Contractor or CDPH and which result directly or indirectly from this Agreement or any subcontract.

- (5) Contractor further agrees to assist and cooperate with CDPH in all reasonable respects, and execute all documents and, subject to reasonable availability, give testimony and take all further acts reasonably necessary to acquire, transfer, maintain, and enforce CDPH's Intellectual Property rights and interests.

b. Retained Rights / License Rights

- (1) Except for Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or CDPH and which result directly or indirectly from this Agreement, Contractor shall retain title to all of its Intellectual Property to the extent such Intellectual Property is in existence prior to the effective date of this Agreement. Contractor hereby grants to CDPH, without additional compensation, a permanent, non-exclusive, royalty free, paid-up, worldwide, irrevocable, perpetual, non-terminable license to use, reproduce, manufacture, sell, offer to sell, import, export, modify, publicly and privately display/perform, distribute, and dispose Contractor's Intellectual Property with the right to sublicense through multiple layers, for any purpose whatsoever, to the extent it is incorporated in the Intellectual Property resulting from this Agreement, unless Contractor assigns all rights, title and interest in the Intellectual Property as set forth herein.
- (2) Nothing in this provision shall restrict, limit, or otherwise prevent Contractor from using any ideas, concepts, know-how, methodology or techniques related to its performance under this Agreement, provided that Contractor's use does not infringe the patent, copyright, trademark rights, license or other Intellectual Property rights of CDPH or third party, or result in a breach or default of any provisions of this Exhibit or result in a breach of any provisions of law relating to confidentiality.

c. Copyright

- (1) Contractor agrees that for purposes of copyright law, all works [as defined in Paragraph a, subparagraph (2)(a) of this provision] of authorship made by or on behalf of Contractor in connection with Contractor's performance of this Agreement shall be deemed "works made for hire". Contractor further agrees that the work of each person utilized by Contractor in connection with the performance of this Agreement will be a "work made for hire," whether that person is an employee of Contractor or that person has entered into an agreement with Contractor to perform the work. Contractor shall enter into a written agreement with any such person that: (i) all work performed for Contractor shall be deemed a "work made for hire" under the Copyright Act and (ii) that person shall assign all right, title, and interest to CDPH to any work product made, conceived, derived from, or reduced to practice by Contractor or CDPH and which result directly or indirectly from this Agreement.
- (2) All materials, including, but not limited to, visual works or text, reproduced or distributed pursuant to this Agreement that include Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or CDPH and which result directly or indirectly from this Agreement, shall include CDPH's notice of copyright, which shall read in 3mm or larger typeface: "© [Enter Current Year e.g., 2014, etc.], Department of Public Health. This material may not be reproduced or disseminated without prior written permission from the Department of Public Health." This notice should be placed prominently on the materials

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and set apart from other matter on the page where it appears. Audio productions shall contain a similar audio notice of copyright.

d. Patent Rights

With respect to inventions made by Contractor in the performance of this Agreement, which did not result from research and development specifically included in the Agreement's scope of work, Contractor hereby grants to CDPH a license as described under Section b of this provision for devices or material incorporating, or made through the use of such inventions. If such inventions result from research and development work specifically included within the Agreement's scope of work, then Contractor agrees to assign to CDPH, without additional compensation, all its right, title and interest in and to such inventions and to assist CDPH in securing United States and foreign patents with respect thereto.

e. Third-Party Intellectual Property

Except as provided herein, Contractor agrees that its performance of this Agreement shall not be dependent upon or include any Intellectual Property of Contractor or third party without first: (i) obtaining CDPH's prior written approval; and (ii) granting to or obtaining for CDPH, without additional compensation, a license, as described in Section b of this provision, for any of Contractor's or third-party's Intellectual Property in existence prior to the effective date of this Agreement. If such a license upon the these terms is unattainable, and CDPH determines that the Intellectual Property should be included in or is required for Contractor's performance of this Agreement, Contractor shall obtain a license under terms acceptable to CDPH.

f. Warranties

(1) Contractor represents and warrants that:

- (a) It is free to enter into and fully perform this Agreement.
- (b) It has secured and will secure all rights and licenses necessary for its performance of this Agreement.
- (c) Neither Contractor's performance of this Agreement, nor the exercise by either Party of the rights granted in this Agreement, nor any use, reproduction, manufacture, sale, offer to sell, import, export, modification, public and private display/performance, distribution, and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or CDPH and which result directly or indirectly from this Agreement will infringe upon or violate any Intellectual Property right, non-disclosure obligation, or other proprietary right or interest of any third-party or entity now existing under the laws of, or hereafter existing or issued by, any state, the United States, or any foreign country. There is currently no actual or threatened claim by any such third party based on an alleged violation of any such right by Contractor.
- (d) Neither Contractor's performance nor any part of its performance will violate the right of privacy of, or constitute a libel or slander against any person or entity.
- (e) It has secured and will secure all rights and licenses necessary for Intellectual Property including, but not limited to, consents, waivers or releases from all authors of music or performances used, and talent (radio, television and motion picture talent), owners of

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any interest in and to real estate, sites, locations, property or props that may be used or shown.

- (f) It has not granted and shall not grant to any person or entity any right that would or might derogate, encumber, or interfere with any of the rights granted to CDPH in this Agreement.
 - (g) It has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.
 - (h) It has no knowledge of any outstanding claims, licenses or other charges, liens, or encumbrances of any kind or nature whatsoever that could affect in any way Contractor's performance of this Agreement.
- (2) CDPH MAKES NO WARRANTY THAT THE INTELLECTUAL PROPERTY RESULTING FROM THIS AGREEMENT DOES NOT INFRINGE UPON ANY PATENT, TRADEMARK, COPYRIGHT OR THE LIKE, NOW EXISTING OR SUBSEQUENTLY ISSUED.

g. Intellectual Property Indemnity

- (1) Contractor shall indemnify, defend and hold harmless CDPH and its licensees and assignees, and its officers, directors, employees, agents, representatives, successors, and users of its products, ("Indemnitees") from and against all claims, actions, damages, losses, liabilities (or actions or proceedings with respect to any thereof), whether or not rightful, arising from any and all actions or claims by any third party or expenses related thereto (including, but not limited to, all legal expenses, court costs, and attorney's fees incurred in investigating, preparing, serving as a witness in, or defending against, any such claim, action, or proceeding, commenced or threatened) to which any of the Indemnitees may be subject, whether or not Contractor is a party to any pending or threatened litigation, which arise out of or are related to (i) the incorrectness or breach of any of the representations, warranties, covenants or agreements of Contractor pertaining to Intellectual Property; or (ii) any Intellectual Property infringement, or any other type of actual or alleged infringement claim, arising out of CDPH's use, reproduction, manufacture, sale, offer to sell, distribution, import, export, modification, public and private performance/display, license, and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or CDPH and which result directly or indirectly from this Agreement. This indemnity obligation shall apply irrespective of whether the infringement claim is based on a patent, trademark or copyright registration that issued after the effective date of this Agreement. CDPH reserves the right to participate in and/or control, at Contractor's expense, any such infringement action brought against CDPH.
- (2) Should any Intellectual Property licensed by the Contractor to CDPH under this Agreement become the subject of an Intellectual Property infringement claim, Contractor will exercise its authority reasonably and in good faith to preserve CDPH's right to use the licensed Intellectual Property in accordance with this Agreement at no expense to CDPH. CDPH shall have the right to monitor and appear through its own counsel (at Contractor's expense) in any such claim or action. In the defense or settlement of the claim, Contractor may obtain the right for CDPH to continue using the licensed Intellectual Property; or, replace or modify the licensed Intellectual Property so that the replaced or modified Intellectual Property becomes non-infringing provided that such replacement or modification is

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functionally equivalent to the original licensed Intellectual Property. If such remedies are not reasonably available, CDPH shall be entitled to a refund of all monies paid under this Agreement, without restriction or limitation of any other rights and remedies available at law or in equity.

- (3) Contractor agrees that damages alone would be inadequate to compensate CDPH for breach of any term of this Intellectual Property Exhibit by Contractor. Contractor acknowledges CDPH would suffer irreparable harm in the event of such breach and agrees CDPH shall be entitled to obtain equitable relief, including without limitation an injunction, from a court of competent jurisdiction, without restriction or limitation of any other rights and remedies available at law or in equity.

h. Survival

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

7. Prior Approval of Training Seminars, Workshops or Conferences

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

8. Confidentiality of Information

The Contractor and its employees, agents, or subcontractors shall:

- a. Protect from unauthorized disclosure names and other identifying information concerning persons either receiving services pursuant to this Agreement or persons whose names or identifying information become available or are disclosed to the Contractor, its employees, agents, or subcontractors as a result of services performed under this Agreement, except for statistical information not identifying any such person.
- b. Not use such identifying information for any purpose other than carrying out the Contractor's obligations under this Agreement.
- c. Promptly transmit to the CDPH Contract Manager all requests for disclosure of such identifying information not emanating from the client or person.
- d. Not disclose, except as otherwise specifically permitted by this Agreement or authorized by the client, any such identifying information to anyone other than CDPH without prior written authorization from the CDPH Contract Manager, except if disclosure is required by State or Federal law.
- e. For purposes of this provision, identity shall include, but not be limited to name, identifying number, symbol, or other identifying particular assigned to the individual, such as finger or voice print or a photograph.

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

9. Documents, Publications and Written Reports

(Applicable to agreements over \$5,000 under which publications, written reports and documents are developed or produced. Government Code Section 7550.)

Any document, publication or written report (excluding progress reports, financial reports and normal contractual communications) prepared as a requirement of this Agreement shall contain, in a separate section preceding the main body of the document, the number and dollar amounts of all contracts or agreements and subcontracts relating to the preparation of such document or report, if the total cost for work by nonemployees of the State exceeds \$5,000.

10. Dispute Resolution Process

- a. A Contractor grievance exists whenever there is a dispute arising from CDPH's action in the administration of an agreement. If there is a dispute or grievance between the Contractor and CDPH, the Contractor must seek resolution using the procedure outlined below.
 - (1) The Contractor should first informally discuss the problem with the CDPH Program Contract Manager. If the problem cannot be resolved informally, the Contractor shall direct its grievance together with any evidence, in writing, to the program Branch Chief. The grievance shall state the issues in dispute, the legal authority or other basis for the Contractor's position and the remedy sought. The Branch Chief shall render a decision within ten (10) working days after receipt of the written grievance from the Contractor. The Branch Chief shall respond in writing to the Contractor indicating the decision and reasons therefore. If the Contractor disagrees with the Branch Chief's decision, the Contractor may appeal to the second level.
 - (2) When appealing to the second level, the Contractor must prepare an appeal indicating the reasons for disagreement with Branch Chief's decision. The Contractor shall include with the appeal a copy of the Contractor's original statement of dispute along with any supporting evidence and a copy of the Branch Chief's decision. The appeal shall be addressed to the Deputy Director of the division in which the branch is organized within ten (10) working days from receipt of the Branch Chief's decision. The Deputy Director of the division in which the branch is organized or his/her designee shall meet with the Contractor to review the issues raised. A written decision signed by the Deputy Director of the division in which the branch is organized or his/her designee shall be directed to the Contractor within twenty (20) working days of receipt of the Contractor's second level appeal.
- b. If the Contractor wishes to appeal the decision of the Deputy Director of the division in which the branch is organized or his/her designee, the Contractor shall follow the procedures set forth in Division 25.1 (commencing with Section 38050) of the Health and Safety Code and the

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regulations adopted thereunder. (Title 1, Division 2, Chapter 2, Article 3 (commencing with Section 1140) of the California Code of Regulations).

- c. Disputes arising out of an audit, examination of an agreement or other action not covered by subdivision (a) of Section 20204, of Chapter 2.1, Title 22, of the California Code of Regulations, and for which no procedures for appeal are provided in statute, regulation or the Agreement, shall be handled in accordance with the procedures identified in Sections 51016 through 51047, Title 22, California Code of Regulations.
- d. Unless otherwise stipulated in writing by CDPH, all dispute, grievance and/or appeal correspondence shall be directed to the CDPH Contract Manager.
- e. There are organizational differences within CDPH's funding programs and the management levels identified in this dispute resolution provision may not apply in every contractual situation. When a grievance is received and organizational differences exist, the Contractor shall be notified in writing by the CDPH Contract Manager of the level, name, and/or title of the appropriate management official that is responsible for issuing a decision at a given level.

11. Officials Not to Benefit

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

12. Prohibited Use of State Funds for Software

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

13. Contract Uniformity (Fringe Benefit Allowability)

(Applicable only to nonprofit organizations.)

Pursuant to the provisions of Article 7 (commencing with Section 100525) of Chapter 3 of Part 1 of Division 101 of the Health and Safety Code, CDPH sets forth the following policies, procedures, and guidelines regarding the reimbursement of fringe benefits.

- a. As used herein fringe benefits shall mean an employment benefit given by one's employer to an employee in addition to one's regular or normal wages or salary.
- b. As used herein, fringe benefits do not include:
 - (1) Compensation for personal services paid currently or accrued by the Contractor for services of employees rendered during the term of this Agreement, which is identified as regular or normal salaries and wages, annual leave, vacation, sick leave, holidays, jury duty and/or military leave/training.
 - (2) Director's and executive committee member's fees.
 - (3) Incentive awards and/or bonus incentive pay.
 - (4) Allowances for off-site pay.
 - (5) Location allowances.

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- (6) Hardship pay.
- (7) Cost-of-living differentials

c. Specific allowable fringe benefits include:

- (1) Fringe benefits in the form of employer contributions for the employer's portion of payroll taxes (i.e., FICA, SUI, SDI), employee health plans (i.e., health, dental and vision), unemployment insurance, worker's compensation insurance, and the employer's share of pension/retirement plans, provided they are granted in accordance with established written organization policies and meet all legal and Internal Revenue Service requirements.

d. To be an allowable fringe benefit, the cost must meet the following criteria:

- (1) Be necessary and reasonable for the performance of the Agreement.
- (2) Be determined in accordance with generally accepted accounting principles.
- (3) Be consistent with policies that apply uniformly to all activities of the Contractor.

e. Contractor agrees that all fringe benefits shall be at actual cost.

f. Earned/Accrued Compensation

- (1) Compensation for vacation, sick leave and holidays is limited to that amount earned/accrued within the agreement term. Unused vacation, sick leave and holidays earned from periods prior to the agreement term cannot be claimed as allowable costs. See section f (3)(a) below for an example.
- (2) For multiple year agreements, vacation and sick leave compensation, which is earned/accrued but not paid, due to employee(s) not taking time off may be carried over and claimed within the overall term of the multiple years of the Agreement. Holidays cannot be carried over from one agreement year to the next. See Provision f (3)(b) for an example.
- (3) For single year agreements, vacation, sick leave and holiday compensation that is earned/accrued but not paid, due to employee(s) not taking time off within the term of the Agreement, cannot be claimed as an allowable cost. See Provision f (3)(c) for an example.

(a) Example No. 1:

If an employee, John Doe, earns/accrues three weeks of vacation and twelve days of sick leave each year, then that is the maximum amount that may be claimed during a one year agreement. If John Doe has five weeks of vacation and eighteen days of sick leave at the beginning of an agreement, the Contractor during a one-year budget period may only claim up to three weeks of vacation and twelve days of sick leave as actually used by the employee. Amounts earned/accrued in periods prior to the beginning of the Agreement are not an allowable cost.

(b) Example No. 2:

If during a three-year (multiple year) agreement, John Doe does not use his three weeks of vacation in year one, or his three weeks in year two, but he does actually use nine weeks in year three; the Contractor would be allowed to claim all nine weeks paid for in year three. The total compensation over the three-year period cannot exceed 156 weeks (3 x 52 weeks).

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(c) **Example No. 3:**

If during a single year agreement, John Doe works fifty weeks and used one week of vacation and one week of sick leave and all fifty-two weeks have been billed to CDPH, the remaining unused two weeks of vacation and seven days of sick leave may not be claimed as an allowable cost.

14. Cancellation

- A. This agreement may be cancelled by CDPH without cause upon 30 calendar days advance written notice to the Contractor.
- B. CDPH reserves the right to cancel or terminate this agreement immediately for cause. The Contractor may submit a written request to terminate this agreement only if CDPH substantially fails to perform its responsibilities as provided herein.
- C. The term "for cause" shall mean that the Contractor fails to meet the terms, conditions, and/or responsibilities of this agreement.
- D. Agreement termination or cancellation shall be effective as of the date indicated in CDPH's notification to the Contractor. The notice shall stipulate any final performance, invoicing or payment requirements.
- E. Upon receipt of a notice of termination or cancellation, the Contractor shall take immediate steps to stop performance and to cancel or reduce subsequent agreement costs.
- F. In the event of early termination or cancellation, the Contractor shall be entitled to compensation for services performed satisfactorily under this agreement and expenses incurred up to the date of cancellation and any non-cancelable obligations incurred in support of this agreement.

Exhibit E
Additional Provisions

1. Additional Incorporated Documents

The following documents and any subsequent updates are not attached to this Agreement, but are hereby incorporated and made a part of this Agreement by reference. These documents may be updated periodically by their respective authors, including the Federal Government, the California Legislature, or the CDPH/WIC Division. The CDPH/WIC Division shall provide the Contractor with copies of said documents and any periodic updates thereto under separate cover. The CDPH/WIC Division will maintain on file all documents referenced herein and any subsequent updates.

A. The following applicable Federal statutes and regulations:

- 1) WIC Program statutes contained in the United States Code (U.S.C.), Title 42, Chapter 13A, Section 1786 [<http://law2.house.gov/>], and the regulations contained in the Title 7, Code of Federal Regulations (CFR), Part 246 as authorized in Section 17 of the Child Nutrition Act (CNA) of 1966 [<https://www.ecfr.gov/>];
- 2) Farmers' Market Nutrition Program (FMNP) statutes contained in the U.S.C., Title 42, Chapter 13A, Section 1786 (m) [<http://law2.house.gov/>], and the regulations contained in the Title 7, CFR, Part 248 [<https://www.ecfr.gov/>], as authorized in the WIC Farmers Market Nutrition Act of 1992 (Public Law 102-314);
- 3) US Department of Agriculture (USDA), Food and Nutrition Services (FNS) memos and policy documents [<https://www.fns.usda.gov/wic/policy/>]; and
- 4) Office of Management and Budget (OMB), Title 2, CFR, Subtitle A, Chapter II, Parts 200 and 400, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Parts 200 and 400). Part 400 adopts and gives regulatory effect to the OMB guidance in part 200 for purposes of USDA grants and agreements[<https://www.ecfr.gov/>].

B. The following applicable State laws and regulations:

- 1) WIC Program State statutes contained in the California Health and Safety Code (HSC), Division 106, Part 2, Article 2, Sections 123275 - 123355 [<http://leginfo.legislature.ca.gov/faces/codes.xhtml>], and WIC Program regulations contained in the California Code of Regulations (CCR), Title 22, Division 2, Subdivision 6, Chapter 6, Articles 1-12 [<https://govt.westlaw.com/calregs/Index>];
- 2) FMNP State statutes contained in HSC, Division 106, Part 2, Article 2, Section 123279 [<http://leginfo.legislature.ca.gov/faces/codes.xhtml>]; and
- 3) Lactation Accommodation law contained in the California Labor Code (LAB), Division 2, Part 3, Chapter 3.8, Sections 1030-1033 [<http://leginfo.legislature.ca.gov/faces/codes.xhtml>].

C. The following applicable CDPH/WIC Division administrative rules, policies, and procedures:

- 1) The WIC Policy and Procedure Manual (WPPM) located on the CDPH/WIC Local Agency SharePoint Site under Policy [<https://partners.cdph.ca.gov/sites/LASS/>]. All updates issued as of the effective date of this Agreement, and any subsequent updates. This manual will

Exhibit E
Additional Provisions

be updated periodically by the CDPH/WIC Division, as required by program and/or Federal directives;

- 2) Any written directive(s) and/or instruction(s) issued by the CDPH/WIC Division to the Contractor (e.g., a revision to the WPPM which may be conveyed via a WIC Information Notice and/or a WIC Director Call and its minutes);
- 3) The Graphic Standards Manual (GSM) for the WIC Program, located on the CDPH/WIC Local Agency SharePoint Site under Outreach [<https://partners.cdph.ca.gov/sites/LASS/>]. The GSM contains information about the rules and formatting for reproducing the WIC logo and tagline.
- 4) All documents submitted with the completed Contract Application.

2. Insurance Requirements

A. General Provisions Applying to All Policies

- 1) Coverage Term - Coverage needs to be in force for the complete term of the Agreement. If insurance expires during the term of the Agreement, a new certificate and required endorsements must be received by the State at least ten (10) days prior to the expiration of this insurance. Any new insurance must comply with the original Agreement terms.
- 2) Policy Cancellation or Termination and Notice of Non-Renewal – The Contractor shall provide to the CDPH within five (5) business days following receipt by the Contractor a copy of any cancellation or non-renewal of insurance required by this Contract. In the event the Contractor fails to keep in effect at all times the specified insurance coverage, the CDPH may, in addition to any other remedies it may have, terminate this Contract upon the occurrence of such event, subject to the provisions of this Contract.
- 3) Premiums, Assessments and Deductibles – The Contractor is responsible for any premiums, policy assessments, deductibles or self-insured retentions contained within their insurance program.
- 4) Primary Clause - Any required insurance contained in this Agreement shall be primary and not excess or contributory to any other insurance carried by the CDPH.
- 5) Insurance Carrier Required Rating - All insurance companies must carry an AM Best rating of at least “A–” with a financial category rating of no lower than VI. If the Contractor is self-insured for a portion or all of its insurance, review of financial information including a letter of credit may be required.
- 6) Endorsements - Any required endorsements requested by the CDPH must be physically attached to all requested certificates of insurance and not substituted by referring to such coverage on the certificate of insurance.
- 7) Inadequate Insurance - Inadequate or lack of insurance does not negate the Contractor’s obligations under the Agreement.

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- 8) Use of Subcontractors - In the case of the Contractor's utilization of Subcontractors to complete the contracted scope of work, the Contractor shall include all Subcontractors as insured under the Contractor's insurance or supply evidence of the Subcontractor's insurance to the CDPH equal to policies, coverages, and limits required of the Contractor.

B. Insurance Coverage Requirements

Contractor shall display evidence of certificate of insurance evidencing the following coverage:

- 1) Commercial General Liability – The Contractor shall maintain general liability with limits not less than \$1,000,000 per occurrence for bodily injury and property damage combined with a \$2,000,000 annual policy aggregate. The policy shall include coverage for liabilities arising out of premises, operations, independent contractors, products, completed operations, personal and advertising injury, and liability assumed under an insured Agreement. This insurance shall apply separately to each insured against whom claim is made or suit is brought subject to the Contractor's limit of liability. The policy shall be endorsed to include, "The State of California, its officers, agents, employees, and servants as additional insured, but only insofar as the operations under this Agreement are concerned." This endorsement must be supplied under form acceptable to the Office of Risk and Insurance Management.
- 2) Automobile Liability (when required) – The Contractor shall maintain motor vehicle liability insurance with limits not less than \$1,000,000 combined single limit per accident. Such insurance shall cover liability arising out of a motor vehicle including owned, hired and non-owned motor vehicles. Should the scope of the Agreement involve transportation of hazardous materials, evidence of an MCS-90 endorsement is required. The policy shall be endorsed to include, "The State of California, its officers, agents, employees, and servants as additional insured, but only insofar as the operations under this Agreement are concerned." This endorsement must be supplied under form acceptable to the Office of Risk and Insurance Management.
- 3) Worker's Compensation and Employer's Liability (when required) – The Contractor shall maintain statutory worker's compensation and employer's liability coverage for all its employees who will be engaged in the performance of the Agreement. Employer's liability limits of \$1,000,000 are required. When work is performed on State owned or controlled property the policy shall contain a waiver of subrogation endorsement in favor of the State. This endorsement must be supplied under form acceptable to the Office of Risk and Insurance Management.
- 4) Professional Liability (when required) – The Contractor shall maintain professional liability covering any damages caused by a negligent error; act or omission with limits not less than \$1,000,000 per occurrence and \$1,000,000 policy aggregate. The policy's retroactive date must be displayed on the certificate of insurance and must be before the date this Agreement was executed or before the beginning of Agreement work.
- 5) Environmental/Pollution Liability (when required) – The Contractor shall maintain pollution liability for limits not less than \$1,000,000 per claim covering the Contractor's liability for bodily injury, property damage and environmental damage resulting from pollution and related cleanup costs incurred arising out of the work or services to be performed under this Agreement. Coverage shall be provided for both work performed on site as well as

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Additional Provisions

transportation and proper disposal of hazardous materials. The policy shall be endorsed to include, "The State of California, its officers, agents, employees, and servants as additional insured, but only insofar as the operations under this Agreement are concerned." This endorsement must be supplied under form acceptable to the Office of Risk and Insurance Management.

- 6) Aircraft Liability (when required) – The Contractor shall maintain aircraft liability with a limit not less than \$3,000,000. The policy shall be endorsed to include, "The State of California, its officers, agents, employees and servants as additional insured, but only insofar as the operations under this Agreement." This endorsement must be supplied under form acceptable to the Office of Risk and Insurance Management.

3. Avoidance of Conflicts of Interest by the Contractor

- A. The CDPH/WIC Division intends to avoid any real or apparent conflict of interest on the part of the Contractor, subcontractors, or employees, officers and directors of the Contractor or subcontractors. Thus, the CDPH/WIC Division reserves the right to determine, at its sole discretion, whether any information, assertion, or claim received from any source indicates the existence of a real or apparent conflict of interest; and, if a conflict is found to exist, to require the Contractor to submit additional information or a plan for resolving the conflict, subject to the CDPH/WIC Division review and prior approval. The CDPH/WIC Division's policy for conflicts of interest, with which the Contractor must comply, is specified in WPPM 150-10.
- B. Conflicts of interest include, but are not limited to:
- 1) An instance where the Contractor or any of its subcontractors, or any employee, officer, or director of the Contractor or any subcontractor has an interest, financial or otherwise, whereby the use or disclosure of information obtained while performing services under the contract would allow for private or personal benefit or for any purpose that is contrary to the goals and objectives of the Agreement.
 - 2) An instance where the Contractor's or any subcontractor's employees, officers, or directors use their positions for purposes that are, or give the appearance of being, motivated by a desire for private gain for themselves or others, such as those with whom they have family, business or other ties.
- C. If the CDPH/WIC Division is or becomes aware of a known or suspected conflict of interest, the Contractor will be given an opportunity to submit additional information or to resolve the conflict. A Contractor with a suspected conflict of interest will have five (5) working days from the date of notification of the conflict by the CDPH/WIC Division to provide complete information regarding the suspected conflict. If a conflict of interest is determined to exist by the CDPH/WIC Division and cannot be resolved to the satisfaction of the CDPH/WIC Division, the conflict will be grounds for terminating the contract. The CDPH/WIC Division may, at its discretion upon receipt of a written request from the Contractor, authorize an extension of the timeline indicated herein.
- D. Any costs (including legal costs) incurred as a result of a conflict of interest determined by the court or by the State shall be the responsibility of the Contractor.

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Additional Provisions

4. Civil Rights Assurance

- A. The Contractor hereby agrees that all applicants and participants shall be served equally, and shall not be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under the WIC Program based on race, color, national origin, sex, age, disability, or reprisal or retaliation for prior civil rights activity.
- B. The Contractor must take all measures necessary to comply with the following laws, regulations, and directives: Title VI of the Civil Rights Act of 1964; Title IX of the Education Amendments of 1972; Section 504 of the Rehabilitation Act of 1973; the Age Discrimination Act of 1975; Titles II and III of the Americans with Disabilities Act of 1990, as amended by the ADA Amendment Act of 2008 and implemented by Department of Justice regulations at 28 Code of Federal Regulations parts 35 and 36; Executive Order 13166; all provisions required by USDA's implementing regulations in 7 Code of Federal Regulations part 15 et seq; the California Fair Employment and Housing Act; 7 Code of Federal Regulations part 246.8; all FNS directives, policy memoranda, and guidelines regarding civil rights and nondiscrimination; and the WPPM 510-10.
- C. The Contractor must notify applicants and participants that:
 - 1) Persons with disabilities who require alternative means for communication of program information (e.g., Braille, large print, audiotope, American Sign Language, etc.) should contact the Agency (State or local) where they applied for benefits.
 - 2) Individuals who are deaf, hard of hearing, or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339.
 - 3) Program information may be made available in languages other than English.
- D. The Contractor must notify applicants and participants of how to file a complaint of discrimination. To file a discrimination complaint, the applicant or participant should complete the USDA Program Discrimination Complaint Form, AD-3027, found online at <https://www.ascr.usda.gov/filing-program-discrimination-complaint-usda-customer> and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, the applicant or participant should call (866) 632-9992. Completed forms or letters should be submitted to USDA by:
 - 1) Mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410;
 - 2) Fax: (202) 690-7442;
 - 3) Email: program.intake@usda.gov.
- E. By signing this Agreement, the Contractor accepts this Civil Rights Assurance and agrees to compile data, maintain records, and submit reports, as required, to permit effective enforcement of nondiscrimination laws, regulations, policies, instructions, and guidelines. During hours of program operation, the Contractor agrees to permit authorized USDA personnel to review such records, books, and accounts as needed to ascertain compliance.

Exhibit E
Additional Provisions

- F. If there are any violations of this assurance, USDA has the right to seek enforcement of this assurance. This assurance is binding on the Contractor, its successors, transferees, and assignees, as long as they receive assistance or retain possession of any financial assistance from USDA. The person or persons whose signatures appear on the face of this Agreement are authorized to bind the Contractor to the terms of the Agreement, including this assurance.

5. Independent Research

- A. The Contractor shall submit a request for and receive written approval from the CDPH/WIC Division prior to conducting independent research or collaborating with an outside party, including a university or research institution, to conduct independent research collecting or using data from the CDPH/WIC Division or participants. Independent Research includes research, articles, reports, and materials that are not necessary for the performance of the Agreement. Independent research is produced by the Contractor, subcontractor and/or outside entity using data from WIC that has been obtained directly from WIC participants, WIC staff, and/or WIC vendors through a variety of means including but not limited to surveys, focus groups, and interviews or indirectly using the CDPH/WIC Division authorized management information system regardless of the funding source.
- B. If the Contractor's research request is approved in writing by the CDPH/WIC Division, all presentations and publications based on that research must be reviewed by the CDPH/WIC Division before publication, presentation, or distribution.
- C. Paragraphs A. and B. of this section address research studies conducted independently of the CDPH/WIC Division, and not potential research projects solicited and administered by the CDPH/WIC Division.
- D. The Contractor agrees if WIC funds are used to perform the research, then the CDPH/WIC Division is the sole owner of the data that is based on the research. All publications and presentations that are developed using the results from this research must be approved by the CDPH/WIC Division prior to the publication and/or presentation of those results. Refer to Exhibit D, Provision 6 for information regarding Intellectual Property Rights.
- E. The Contractor agrees that any independent research or collaboration must comply with the confidentiality provisions set forth in federal regulations (7 CFR part 246.26) and Exhibit G to this Agreement, the Information Privacy and Security Requirements Exhibit for CDPH/WIC Division Contracts.

Exhibit F
Federal Terms and Conditions

(For Federally Funded Subvention/Local Assistance Agreement)

The use of headings or titles throughout this exhibit is for convenience only and shall not be used to interpret or to govern the meaning of any specific term or condition.

This Exhibit contains provisions that require strict adherence to various contracting laws and shall be used for agreement funded in whole or in part by Federal Funds.

1. Federal Contract Funds
2. Federal Equal Employment Opportunity Requirements
3. Debarment and Suspension Certification
4. Covenant Against Contingent Fees
5. Lobbying Restrictions and Disclosure Certification
6. Additional Restrictions
7. Federal Requirements
8. Air and Water Pollution Requirements
9. Smoke-Free Workplace Certification
10. Use of Small, Minority Owned and Women's Businesses
11. Human Subjects Use Requirements
12. Financial and Compliance Audit Requirements
13. Audit and Record Retention

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Federal Terms and Conditions

1. Federal Contract Funds

- a. It is mutually understood between the parties that this Agreement may have been written before ascertaining the availability of congressional appropriation of funds, for the mutual benefit of both parties, in order to avoid program and fiscal delays which would occur if the Agreement were executed after that determination was made.
- b. This agreement is valid and enforceable only if sufficient funds are made available to the State by the United States Government for the fiscal years covered by the term of this Agreement. In addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress or any statute enacted by the Congress which may affect the provisions, terms or funding of this Agreement in any manner.
- c. It is mutually agreed that if the Congress does not appropriate sufficient funds for the program, this Agreement shall be amended to reflect any reduction in funds.
- d. CDPH has the option to invalidate or cancel the Agreement with 30-days advance written notice or to amend the Agreement to reflect any reduction in funds.

2. Federal Equal Opportunity Requirements

- a. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. The Contractor will take affirmative action to ensure that qualified applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and career development opportunities and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Federal Government or CDPH, setting forth the provisions of the Equal Opportunity clause, Section 503 of the Rehabilitation Act of 1973 and the affirmative action clause required by the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. 4212). Such notices shall state the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified applicants without discrimination based on their race, color, religion, sex, national origin physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era and the rights of applicants and employees.
- b. The Contractor will, in all solicitations or advancements 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, national origin physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era.
- c. The Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding a notice, to be provided by the Federal Government or the State, advising the labor union or workers' representative of the Contractor's commitments under the provisions herein and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- d. The Contractor will comply with all provisions of and furnish all information and reports required by Section 503 of the Rehabilitation Act of 1973, as amended, the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. 4212) and of the Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 CFR part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," and of the rules, regulations, and relevant orders of the Secretary of Labor.

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Federal Terms and Conditions

- e. The Contractor will furnish all information and reports required by Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 CFR part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," and the Rehabilitation Act of 1973, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the State and its designated representatives and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- f. In the event of the Contractor's noncompliance with the requirements of the provisions herein or with any federal rules, regulations, or orders which are referenced herein, this Agreement may be cancelled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further federal and state contracts in accordance with procedures authorized in Federal Executive Order No. 11246 as amended and such other sanctions may be imposed and remedies invoked as provided in Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 CFR part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- g. The Contractor will include the provisions of Paragraphs a through g in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 CFR part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," or Section 503 of the Rehabilitation Act of 1973 or (38 U.S.C. 4212) of the Vietnam Era Veteran's Readjustment Assistance Act, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs or CDPH may direct as a means of enforcing such provisions including sanctions for noncompliance provided, however, that in the event the Contractor becomes involved in, or is threatened with litigation by a subcontractor or vendor as a result of such direction by CDPH, the Contractor may request in writing to CDPH, who, in turn, may request the United States to enter into such litigation to protect the interests of the State and of the United States.

3. Debarment and Suspension Certification

- a. By signing this Agreement, the Contractor agrees to comply with applicable federal suspension and debarment regulations including, but not limited to 7 CFR Part 3017, 45 CFR 76, 40 CFR 32 or 34 CFR 85.
- b. By signing this Agreement, the Contractor certifies to the best of its knowledge and belief, that it and its principals:
 - (1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency;
 - (2) Have not within a three-year period preceding this application/proposal/agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in Paragraph b(2) herein; and

Exhibit F
Federal Terms and Conditions

- (4) Have not within a three-year period preceding this application/proposal/agreement had one or more public transactions (Federal, State or local) terminated for cause or default.
 - (5) Shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under federal regulations (i.e., 48 CFR part 9, subpart 9.4), debarred, suspended, declared ineligible, or voluntarily excluded from participation in such transaction, unless authorized by the State.
 - (6) Will include a clause entitled, "Debarment and Suspension Certification" that essentially sets forth the provisions herein, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- c. If the Contractor is unable to certify to any of the statements in this certification, the Contractor shall submit an explanation to the CDPH Contract Manager.
 - d. The terms and definitions herein have the meanings set out in the Definitions and Coverage sections of the rules implementing Federal Executive Order 12549.
 - e. If the Contractor knowingly violates this certification, in addition to other remedies available to the Federal Government, the CDPH may terminate this Agreement for cause or default.

4. Covenant Against Contingent Fees

The Contractor warrants that no person or selling agency has been employed or retained to solicit/secure this Agreement upon an agreement of understanding for a commission, percentage, brokerage, or contingent fee, except *bona fide* employees or *bona fide* established commercial or selling agencies retained by the Contractor for the purpose of securing business. For breach or violation of this warranty, CDPH shall have the right to annul this Agreement without liability or in its discretion to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, and brokerage or contingent fee.

5. Lobbying Restrictions and Disclosure Certification

(Applicable to federally funded agreements in excess of \$100,000 per Section 1352 of the 31, U.S.C.)

a. Certification and Disclosure Requirements

- (1) Each person (or recipient) who requests or receives a contract or agreement, subcontract, grant, or subgrant, which is subject to Section 1352 of the 31, U.S.C., and which exceeds \$100,000 at any tier, shall file a certification (in the form set forth in Attachment 1, consisting of one page, entitled "Certification Regarding Lobbying") that the recipient has not made, and will not make, any payment prohibited by Paragraph b of this provision.
- (2) Each recipient shall file a disclosure (in the form set forth in Attachment 2, entitled "Standard Form-LLL 'disclosure of Lobbying Activities'") if such recipient has made or has agreed to make any payment using nonappropriated funds (to include profits from any covered federal action) in connection with a contract, or grant or any extension or amendment of that contract, or grant, which would be prohibited under Paragraph b of this provision if paid for with appropriated funds.
- (3) Each recipient shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affect the accuracy of the information contained in any disclosure form previously filed by such person under Paragraph a(2) herein. An event that materially affects the accuracy of the information reported includes:
 - (a) A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered federal action;
 - (b) A change in the person(s) or individuals(s) influencing or attempting to influence a covered federal action; or

Exhibit F
Federal Terms and Conditions

- (c) A change in the officer(s), employee(s), or member(s) contacted for the purpose of influencing or attempting to influence a covered federal action.
- (4) Each person (or recipient) who requests or receives from a person referred to in Paragraph a(1) of this provision a contract or agreement, subcontract, grant or subgrant exceeding \$100,000 at any tier under a contract or agreement, or grant shall file a certification, and a disclosure form, if required, to the next tier above.
- (5) All disclosure forms (but not certifications) shall be forwarded from tier to tier until received by the person referred to in Paragraph a(1) of this provision. That person shall forward all disclosure forms to CDPH Program Contract Manager.

b. Prohibition

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 or agreement, 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 or agreement, the making of any federal grant, the making of any federal loan, entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract or agreement, grant, loan, or cooperative agreement.

6. Additional Restrictions

(Applicable to all contracts funded in whole or in part with funding from the federal Departments of Labor, Health and Human Services (including CDC funding), or Education.)

Contractor shall comply with the restrictions under Division F, Title V, Section 503 of the Consolidated Appropriations Act, 2012 (H.R. 2055), which provides that:

“SEC. 503.(a) No part of any appropriation contained in this Act or transferred pursuant to section 4002 of Public Law 111–148 shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, electronic communication, radio, television, or video presentation designed to support or defeat the enactment of legislation before the Congress or any State or local legislature or legislative body, except in presentation to the Congress or any State or local legislature itself, or designed to support or defeat any proposed or pending regulation, administrative action, or order issued by the executive branch of any State or local government, except in presentation to the executive branch of any State or local government itself.

(b) No part of any appropriation contained in this Act or transferred pursuant to section 4002 of Public Law 111–148 shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence the enactment of legislation, appropriations, regulation, administrative action, or Executive order proposed or pending before the Congress or any State government, State legislature or local legislature or legislative body, other than for normal and recognized executive-legislative relationships or participation by an agency or officer of a State, local or tribal government in policymaking and administrative processes within the executive branch of that government.

(c) The prohibitions in subsections (a) and (b) shall include any activity to advocate or promote any proposed, pending or future Federal, State or local tax increase, or any proposed, pending, or future requirement or restriction on any legal consumer product, including its sale or marketing, including but not limited to the advocacy or promotion of gun control.”

7. Federal Requirements

Contractor agrees to comply with and shall require all subcontractors, if any, to comply with all applicable

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Federal Terms and Conditions

Federal requirements including but not limited to the United States Code, the Code of Federal Regulations, the Funding Opportunity Announcement, the Notice of Award, the funding agreement, and any memoranda or letter regarding the applicable Federal requirements.

8. Air or Water Pollution Requirements

Any federally funded agreement and/or subcontract in excess of \$100,000 must comply with the following provisions unless said agreement is exempt under 40 CFR 15.5.

- a. Government contractors agree to comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act [42 U.S.C. 1857(h)], section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15).
- b. Institutions of higher education, hospitals, nonprofit organizations and commercial businesses agree to comply with all applicable standards, orders, or requirements issued under the Clean Air Act (42 U.S.C. 7401 et seq.), as amended, and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended.

9. Smoke-Free Workplace Certification

(Applicable to agreements that provide health, day care, early childhood development services, education or library services to children under 18 directly or through local governments.)

- a. Public Law 103-227, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan, or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where WIC coupons are redeemed.
- b. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible party.
- c. By signing this Agreement, Contractor certifies that it will comply with the requirements of the Act and will not allow smoking within any portion of any indoor facility used for the provision of services for children as defined by the Act. The prohibitions herein are effective December 26, 1994.
- d. Contractor further agrees that it will insert this certification into any subawards (~~subcontracts or subgrants~~) entered into that provide for children's services as described in the Act.

10. Use of Small, Minority Owned and Women's Businesses

Positive efforts shall be made to use small businesses, minority-owned firms and women's business enterprises, whenever possible (i.e., procurement of goods and/or services). Contractors shall take all of the following steps to further this goal.

- (1) Ensure that small businesses, minority-owned firms, and women's business enterprises are used to the fullest extent practicable.
- (2) Make information on forthcoming purchasing and contracting opportunities available and arrange time frames for purchases and contracts to encourage and facilitate participation by small businesses, minority-owned firms, and women's business enterprises.

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Federal Terms and Conditions

- (3) Consider in the contract process whether firms competing for larger contracts intend to subcontract with small businesses, minority-owned firms, and women's business enterprises.
- (4) Encourage contracting with consortiums of small businesses, minority-owned firms and women's business enterprises when a contract is too large for one of these firms to handle individually.
- (5) Use the services and assistance, as appropriate, of such organizations as the Federal Small Business Administration and the U.S. Department of Commerce's Minority Business Development Agency in the solicitation and utilization of small businesses, minority-owned firms and women's business enterprises.

11. Human Subjects Use Requirements

(Applicable only to agreements that include any tests or examination of materials derived from the human body.)

By signing this Agreement, Contractor agrees that if any performance under this Agreement or any subcontract or subagreement includes any tests or examination of materials derived from the human body for the purpose of providing information, diagnosis, prevention, treatment or assessment of disease, impairment, or health of a human being, all locations at which such examinations are performed shall meet the requirements of 42 U.S.C. Section 263a (CLIA) and the regulations thereunder.

12. Financial and Compliance Audit Requirements

By signing this Agreement, the Contractor/Subcontractor agrees to abide by all requirements specified in 2 CFR 200 *et seq.*, 2 CFR *et seq.*, as applicable, including but not limited to obtaining an annual audit, and any subsequent federal regulatory additions or revisions.

- a. The definitions used in this provision are contained in Section 38040 of the Health and Safety Code, which by this reference is made a part hereof.
- b. Direct service contract means a contract or agreement for services contained in local assistance or subvention programs or both (see Health and Safety [H&S] Code section 38020). Direct service contracts shall not include contracts, agreements, grants, or subventions to other governmental agencies or units of government nor contracts or agreements with regional centers or area agencies on aging (H&S Code section 38030).
- c. The Contractor, as indicated below, agrees to obtain one of the following audits:
 - (1) If the Contractor is a nonprofit organization (as defined in H&S Code section 38040) and receives \$25,000 or more from any State agency under a direct service contract or agreement; the Contractor agrees to obtain an annual single, organization wide, financial and compliance audit. Said audit shall be conducted according to Generally Accepted Auditing Standards. This audit does not fulfill the audit requirements of Paragraph c(3) below. The audit shall be completed by the 15th day of the fifth month following the end of the Contractor's fiscal year, **and/or**
 - (2) If the Contractor is a nonprofit organization (as defined in H&S Code section 38040) and receives less than \$25,000 per year from any State agency under a direct service contract or agreement, the Contractor agrees to obtain a biennial single, organization wide financial and compliance audit, unless there is evidence of fraud or other violation of state law in connection with this Agreement. This audit does not fulfill the audit requirements of Paragraph c(3) below. The audit shall be completed by the 15th day of the fifth month following the end of the Contractor's fiscal year, **and/or**
 - (3) If the Contractor is a State or Local Government entity or Nonprofit organization (as defined in 2CFR Part 200) and expends \$750,000 or more in Federal awards, the Contractor agrees to obtain an annual single, organization wide, financial and compliance audit according to the requirements specified in 2CFR Part 200. An audit conducted pursuant to this provision will fulfill the audit requirements outlined in Paragraphs c(1) and c(2) above. The audit shall be completed by the end of the ninth month following the end of the audit period. The requirements of this provision apply if:

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- (a) The Contractor is a recipient expending Federal awards received directly from Federal awarding agencies, or
- (b) The Contractor is a subrecipient expending Federal awards received from a pass-through entity such as the State, County or community based organization.
- (4) If the Contractor submits to CDPH a report of an audit other than a single audit, the Contractor must also submit a certification indicating the Contractor has not expended \$750,000 or more in federal funds for the year covered by the audit report.
- d. Two copies of the audit report shall be delivered to the CDPH program funding this Agreement. The audit report must identify the Contractor's legal name and the number assigned to this Agreement. The audit report shall be due within 30 days after the completion of the audit. Upon receipt of said audit report, the CDPH Program Contract Manager shall forward the audit report to CDPH's Audits and Investigations Unit if the audit report was submitted under Section 16.c(3), unless the audit report is from a City, County, or Special District within the State of California whereby the report will be retained by the funding program.
- e. The cost of the audits described herein may be included in the funding for this Agreement up to the proportionate amount this Agreement represents of the Contractor's total revenue. The CDPH program funding this Agreement must provide advance written approval of the specific amount allowed for said audit expenses.
- f. The State or its authorized designee, including the Bureau of State Audits, is responsible for conducting agreement performance audits which are not financial and compliance audits. Performance audits are defined by Generally Accepted Government Auditing Standards.
- g. Nothing in this Agreement limits the State's responsibility or authority to enforce State law or regulations, procedures, or reporting requirements arising thereto.
- h. Nothing in this provision limits the authority of the State to make audits of this Agreement, provided however, that if independent audits arranged for by the Contractor meet Generally Accepted Governmental Auditing Standards, the State shall rely on those audits and any additional audit work and shall build upon the work already done.
- i. The State may, at its option, direct its own auditors to perform either of the audits described above. The Contractor will be given advance written notification, if the State chooses to exercise its option to perform said audits.
- j. The Contractor shall include a clause in any agreement the Contractor enters into with the audit firm doing the single organization wide audit to provide access by the State or Federal Government to the working papers of the independent auditor who prepares the single organization wide audit for the Contractor.
- k. Federal or state auditors shall have "expanded scope auditing" authority to conduct specific program audits during the same period in which a single organization wide audit is being performed, but the audit report has not been issued. The federal or state auditors shall review and have access to the current audit work being conducted and will not apply any testing or review procedures which have not been satisfied by previous audit work that has been completed.

The term "expanded scope auditing" is applied and defined in the U.S. General Accounting Office (GAO) issued Standards for *Audit of Government Organizations, Programs, Activities and Functions*, better known as the "yellow book".

13. Audit and Record Retention

(Applicable to agreements in excess of \$10,000.)

- a. The Contractor shall maintain books, records, documents, and other evidence, accounting procedures

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and practices, sufficient to properly reflect all direct and indirect costs of whatever nature claimed to have been incurred in the performance of this Agreement, including any matching costs and expenses. The foregoing constitutes "records" for the purpose of this provision.

- b. The Contractor's facility or office or such part thereof as may be engaged in the performance of this Agreement and his/her records shall be subject at all reasonable times to inspection, audit, and reproduction.
- c. Contractor agrees that CDPH, the Department of General Services, the Bureau of State Audits, or their designated representatives including the Comptroller General of the United States shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, the Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (GC 8546.7, CCR Title 2, Section 1896).
- d. The Contractor shall preserve and make available his/her records (1) for a period of three years from the date of final payment under this Agreement, and (2) for such longer period, if any, as is required by applicable statute, by any other provision of this Agreement, or by subparagraphs (1) or (2) below.
 - (1) If this Agreement is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of three years from the date of any resulting final settlement.
 - (2) If any litigation, claim, negotiation, audit, or other action involving the records has been started before the expiration of the three-year period, the records shall be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular three-year period, whichever is later.
- e. The Contractor shall comply with the above requirements and be aware of the penalties for violations of fraud and for obstruction of investigation as set forth in Public Contract Code § 10115.10, if applicable.
- f. The Contractor may, at its discretion, following receipt of final payment under this Agreement, reduce its accounts, books and records related to this Agreement to microfilm, computer disk, CD ROM, or other data storage medium. Upon request by an authorized representative to inspect, audit or obtain copies of said records, the Contractor and/or Subcontractor must supply or make available applicable devices, hardware, and/or software necessary to view, copy and/or print said records. Applicable devices may include, but are not limited to, microfilm readers and microfilm printers, etc.
- g. The Contractor shall, if applicable, comply with the Single Audit Act and the audit reporting requirements set forth in Title 2 of the Code of Federal Regulations, Part 200 (2CFR Part 200).

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Federal Terms and Conditions

**STATE OF CALIFORNIA
CALIFORNIA DEPARTMENT OF PUBLIC HEALTH
CERTIFICATION REGARDING LOBBYING**

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

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

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

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontractor's, subcontracts, and contracts under cooperative agreements) of \$100,000 or more, and that all subrecipients shall certify and disclose accordingly.

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

Name of Contractor

Printed Name of Person Signing for Contractor

Contract Number

Signature of Person Signing for Contractor

Date

Title

After execution by or on behalf of Contractor, please return to:

California Department of Public Health

CDPH reserves the right to notify the Contractor in writing of an alternate submission address.

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CERTIFICATION REGARDING LOBBYING

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure)

Approved by OMB
0348-0046

1. Type of Federal Action: <input type="checkbox"/> a. contract <input type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance	2. Status of Federal Action: <input type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award	3. Report Type: <input type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change For Material Change Only: Year _____ quarter _____ date of last report _____.
4. Name and Address of Reporting Entity: <input type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier ____, if known: Congressional District, If known: _____	5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime: Congressional District, If known: _____	
6. Federal Department/Agency	7. Federal Program Name/Description: CDFA Number, if applicable: _____	
8. Federal Action Number, if known:	9. Award Amount, if known: \$ _____	
10.a. Name and Address of Lobbying Registrant <i>(If individual, last name, first name, MI):</i>	b. Individuals Performing Services <i>(including address if different from 10a. (Last name, First name, MI):</i>	
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. required disclosure shall be subject to a not more than \$100,000 for each such failure.	Signature: _____ Print Name: _____ Title: _____ Telephone No.: _____ Date: _____	
Federal Use Only		Authorized for Local Reproduction Standard Form-LLL (Rev. 7-97)

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

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.

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

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

Exhibit G
Information Privacy and Security Requirements
(For CDPH WIC Contracts)

This Information Privacy and Security Requirements Exhibit (For CDPH WIC Contracts) (hereinafter referred to as “this Exhibit”) sets forth the information privacy and security requirements the Contractor is obligated to follow with respect to all personal and confidential information (as defined herein) disclosed to the Contractor, or collected, created, maintained, stored, transmitted or used by the Contractor for or on **behalf** of the California Department of Public Health (hereinafter “CDPH”), pursuant to the Contractor’s agreement with CDPH. (Such personal and confidential information is referred to herein collectively as “CDPH PCI”).

CDPH administers the California Special Supplemental Nutrition Program for Women, Infants, and Children (WIC Program) pursuant to a grant from the United States Department of Agriculture (USDA), pursuant to the Child Nutrition Act of 1966, title 42 of the United States Code (U.S.C.), Section 1786 (Public law 89-645, Section 17), as amended, and in accordance with governing administration of grants (2 CFR part 200, subparts A through F and USDA implementing regulations 2 CFR part 400 and part 415); governing non-procurement debarment/suspension (2 CFR part 180, OMB Guidelines to Agencies on Government-wide Debarment and Suspension and USDA implementing regulations 2 CFR part 417); governing restrictions on lobbying (2 CFR part 200, subpart E and USDA implementing regulations 2 CFR part 400, part 415, and part 418); and governing the drug-free workplace requirements (2 CFR part 182, Government-wide Requirements for Drug-Free Workplace); FNS guidelines; and, instructions issued under the FNS Directives Management System.

CDPH and the Contractor desire to protect the privacy and provide for the security of CDPH PCI pursuant to this Exhibit and in compliance with state and federal laws applicable to the CDPH PCI.

- I. Order of Precedence: With respect to information privacy and security requirements for all CDPH PCI, the terms and conditions of this Exhibit shall take precedence over any conflicting terms or conditions set forth in any other part of the agreement between the Contractor and CDPH, including Exhibit A (Scope of Work), all other exhibits and any other attachments, and shall prevail over any such conflicting terms or conditions.
- II. Effect on lower tier transactions: The terms of this Exhibit shall apply to all contracts, subcontracts, and subawards, and the information privacy and security requirements the Contractor is obligated to follow with respect to CDPH PCI disclosed to the Contractor, or collected, created, maintained, stored, transmitted or used by the Contractor for or on behalf of CDPH, pursuant to the Contractor’s agreement with CDPH. When applicable the Contractor shall incorporate the relevant provisions of this Exhibit into each subcontract or subaward to its agents, subcontractors, or independent consultants.
- III. Definitions: For purposes of the agreement between the Contractor and CDPH, including this Exhibit, the following definitions shall apply:
 - A. Breach:

“Breach” means:

 1. the unauthorized acquisition, access, use, or disclosure of CDPH PCI in a manner which compromises the security, confidentiality or integrity of the information; or
 2. unauthorized acquisition of computerized data that compromises the security, confidentiality, or integrity of personal information maintained by the Contractor. Good faith acquisition of personal information by an employee or agent of the Contractor for the purposes of the

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Contractor is not a breach of the security of the system, provided that the personal information is not used or subject to further unauthorized disclosure.

B. Confidential Information: “Confidential information” means:

1. any information about a [WIC] applicant or participant, whether it is obtained from the applicant or participant, another source, or generated as a result of WIC application, certification, or participation, that individually identifies an applicant or participant and/or family member(s) as set forth in 7 Code of Federal Regulations part 246.26(d)(1)(i);
2. information that does not meet the definition of “public records” set forth in California Government Code section 6252(e), or is exempt from disclosure under any of the provisions of Section 6250, et seq. of the California Government Code or any other applicable state or federal laws; or
3. information that is contained in documents, files, folders, books or records that are clearly labeled, marked or designated with the word “confidential” by CDPH.

C. Disclosure: “Disclosure” means the release, transfer, provision of, access to, or divulging in any manner of information outside the entity holding the information.

D. PCI: “PCI” means “personal information” and “confidential information” (as these terms are defined herein:

E. Personal Information: “Personal information” means information, in any medium (paper, electronic, oral) that:

1. directly or indirectly collectively identifies or uniquely describes an individual; or
2. any information about a [WIC] applicant or participant, whether it is obtained from the applicant or participant, another source, or generated as a result of WIC application, certification, or participation, that individually identifies an applicant or participant and/or family member(s) as set forth in 7 Code of Federal Regulations part 246.26(d)(1)(i); or
3. any information about a vendor (whether it is obtained from the vendor or another source) that individually identifies the vendor, except for vendor's name, address, telephone number, Web site/e-mail address, store type, and authorization status; or
4. is protected from disclosure under applicable state or federal law.

F. Security Incident: “Security Incident” means:

1. an attempted breach; or
2. the attempted or successful unauthorized access or disclosure, modification or destruction of CDPH PCI, in violation of any state or federal law or in a manner not permitted under the agreement between the Contractor and CDPH, including this Exhibit; or
3. the attempted or successful modification or destruction of, or interference with the Contractor's system operations in an information technology system, that negatively

Exhibit G
Information Privacy and Security Requirements
(For CDPH WIC Contracts)

impacts the confidentiality, availability or integrity of CDPH PCI; or

4. any event that is reasonably believed to have compromised the confidentiality, integrity, or availability of an information asset, system, process, data storage, or transmission. Furthermore, an information security incident may also include an event that constitutes a violation or imminent threat of violation of information security policies or procedures, including acceptable use policies.

- G. Use: "Use" means the sharing, employment, application, utilization, examination, or analysis of information.
- IV. Disclosure Restrictions: The Contractor and its employees, agents, and subcontractors shall protect from unauthorized disclosure any CDPH PCI. The Contractor shall not disclose any CDPH PCI to anyone other than personnel of the CDPH WIC Program or CDPH OLS without prior written authorization from the CDPH WIC Program, except if disclosure is required by State or Federal law. The Contractor shall limit access to CDPH PCI to only those employees, agents, and subcontractors CDPH WIC has determined have a need to know the CDPH PCI in order to perform the Contractor's obligations under its agreement with CDPH WIC. Disclosure of CDPH PCI to any other party or individual including the Contractor's employees, agents, and subcontractors, is unauthorized.
- V. Use Restrictions: The Contractor and its employees, agents, and subcontractors shall not use any CDPH PCI for any purpose other than performing the Contractor's obligations under its agreement with CDPH.
- VI. Safeguards: The Contractor shall implement administrative, physical, and technical safeguards that reasonably and appropriately protect the privacy, confidentiality, security, integrity, and availability of CDPH PCI, including electronic or computerized CDPH PCI. At each location where CDPH PCI exists under the Contractor's control, the Contractor shall develop and maintain a written information privacy and security program that includes administrative, technical and physical safeguards appropriate to the size and complexity of the Contractor's operations and the nature and scope of its activities in performing its agreement with CDPH, including this Exhibit, and which incorporates the requirements of Section VII, Security, below. The Contractor shall provide CDPH with the Contractor's current and updated policies within five (5) business days of a request by CDPH for the policies.
- VII. Security: The Contractor shall take any and all steps reasonably necessary to ensure the continuous security of all computerized data systems containing CDPH PCI. These steps shall include, at a minimum, complying with all of the data system security precautions listed in the Contractor Data Security Standards set forth in Attachment 1 to this Exhibit.
- VIII. Security Officer: At each place where CDPH PCI is located, the Contractor shall designate a Security Officer to oversee its compliance with this Exhibit and to communicate with CDPH on matters concerning this Exhibit.
- IX. Training: The Contractor shall provide training on its obligations under this Exhibit, at its own expense, to all of its employees who assist in the performance of the Contractor's obligations under the Contractor's agreement with CDPH, including this Exhibit, or otherwise use or disclose CDPH PCI.
 - A. The Contractor shall require each employee who receives training to certify, either in hard copy or electronic form, the date on which the training was completed.

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Information Privacy and Security Requirements
(For CDPH WIC Contracts)

- B. The Contractor shall retain each employee's certifications for CDPH inspection for a period of three years following contract termination or completion.
- C. The Contractor shall provide CDPH with its employee's certifications within five (5) business days of a request by CDPH for the employee's certifications.
- X. Employee Discipline: The Contractor shall impose discipline that it deems appropriate (in its sole discretion) on such employees and other Contractor workforce members under the Contractor's direct control who intentionally or negligently violate any provisions of this Exhibit.

Exhibit G
Information Privacy and Security Requirements
(For CDPH WIC Contracts)

XI. Breach and Security Incident Responsibilities:

- A. Notification to CDPH of Breach or Security Incident: The Contractor shall notify CDPH **immediately by telephone call plus email or fax** upon the discovery of a breach (as defined in this Exhibit), **and within twenty-four (24) hours by email or fax** of the discovery of any security incident (as defined in this Exhibit), unless a law enforcement agency determines that the notification will impede a criminal investigation, in which case the notification required by this section shall be made to CDPH immediately after the law enforcement agency determines that such notification will not compromise the investigation. Notification shall be provided to the CDPH Program Contract Manager, the CDPH Privacy Officer and the CDPH Chief Information Security Officer, using the contact information listed in Section XI(F), below. If the breach or security incident is discovered after business hours or on a weekend or holiday and involves CDPH PCI in electronic or computerized form, notification to CDPH shall be provided by calling the CDPH Information Security Office at the telephone numbers listed in Section XI(F), below. For purposes of this Section, breaches and security incidents shall be treated as discovered by the Contractor as of the first day on which such breach or security incident is known to the Contractor, or, by exercising reasonable diligence would have been known to the Contractor. The Contractor shall be deemed to have knowledge of a breach if such breach is known, or by exercising reasonable diligence would have been known, to any person, other than the person committing the breach, who is an employee or agent of the Contractor.

The Contractor shall take:

1. prompt corrective action to mitigate any risks or damages involved with the breach or security incident and to protect the operating environment; and
 2. any action pertaining to a breach required by applicable federal and state laws, including, specifically, California Civil Code section 1798.29.
- B. Investigation of Breach and Security Incidents: The Contractor shall immediately investigate such breach or security incident. As soon as the information is known and subject to the legitimate needs of law enforcement, the Contractor shall inform the CDPH Program Contract Manager, the CDPH Privacy Officer, and the CDPH Chief Information Security Officer of:
1. what data elements were involved and the extent of the data disclosure or access involved in the breach, including, specifically, the number of individuals whose personal information was breached; and
 2. a description of the unauthorized persons known or reasonably believed to have improperly used the CDPH PCI and/or a description of the unauthorized persons known or reasonably believed to have improperly accessed or acquired the CDPH PCI, or to whom it is known or reasonably believed to have had the CDPH PCI improperly disclosed to them; and
 3. a description of where the CDPH PCI is believed to have been improperly used or disclosed; and
 4. a description of the probable and proximate causes of the breach or security incident; and

Exhibit G
Information Privacy and Security Requirements
(For CDPH WIC Contracts)

5. whether Civil Code section 1798.29 or any other federal or state laws requiring individual notifications of breaches have been triggered.
- C. Written Report: The Contractor shall provide a written report of the investigation to the CDPH Program Contract Manager, the CDPH Privacy Officer, and the CDPH Chief Information Security Officer as soon as practicable after the discovery of the breach or security incident. The report shall include, but not be limited to, the information specified above, as well as a complete, detailed corrective action plan, including information on measures that were taken to halt and/or contain the breach or security incident, and measures to be taken to prevent the recurrence or further disclosure of data regarding such breach or security incident.
- D. Notification to Individuals: If notification to individuals whose information was breached is required under state or federal law, and regardless of whether the Contractor is considered only a custodian and/or non-owner of the CDPH PCI, the Contractor shall, at its sole expense, and at the sole election of CDPH, either:
 1. make notification to the individuals affected by the breach (including substitute notification), pursuant to the content and timeliness provisions of such applicable state or federal breach notice laws. The Contractor shall inform the CDPH Privacy Officer of the time, manner and content of any such notifications, prior to the transmission of such notifications to the individuals; or
 2. cooperate with and assist CDPH in its notification (including substitute notification) to the individuals affected by the breach.
- E. Submission of Sample Notification to Attorney General: If notification to more than 500 individuals is required pursuant to California Civil Code section 1798.29, and regardless of whether the Contractor is considered only a custodian and/or non-owner of the CDPH PCI, The Contractor shall, at its sole expense, and at the sole election of CDPH, either:
 1. electronically submit a single sample copy of the security breach notification, excluding any personally identifiable information, to the Attorney General pursuant to the format, content and timeliness provisions of Section 1798.29, subdivision (e). The Contractor shall inform the CDPH Privacy Officer of the time, manner and content of any such submissions, prior to the transmission of such submissions to the Attorney General; or
 2. cooperate with and assist CDPH in its submission of a sample copy of the notification to the Attorney General.
- F. CDPH Contact Information: To direct communications to the above referenced CDPH staff, the Contractor shall initiate contact as indicated herein. CDPH reserves the right to make changes to the contact information below by verbal or written notice to the Contractor. Said changes shall not require an amendment to this Exhibit or the agreement to which it is incorporated.

Exhibit G
Information Privacy and Security Requirements
(For CDPH WIC Contracts)

CDPH Program Contract Manager	CDPH Privacy Officer	CDPH Chief Information Security Officer	CDPH OLS Contact for Third Party Information Requests
See Scope of Work for Program Contract Manager	Privacy Officer Privacy Office Office of Legal Services California Dept. of Public Health 1415 L Street, 5 th Floor Sacramento, CA 95814 Email: privacy@cdph.ca.gov Telephone: (877) 421-9634	Chief Information Security Officer Information Security Office California Dept. of Public Health P.O. Box 997377 MS6302 Sacramento, CA 95899-7413 Email: cdphiso@cdph.ca.gov Telephone: (855) 500-0016	Assistant Chief Counsel, Public Health Programs Office of Legal Services California Dept. of Public Health 1415 L Street, 5 th Floor Sacramento, CA 95814 Telephone: (916) 558-1710

XII. Documentation of Disclosures for Requests for Accounting: The Contractor shall document and make available to CDPH or (at the direction of CDPH) to an Individual such disclosures of CDPH PCI, and information related to such disclosures, necessary to respond to a proper request by the subject Individual for an accounting of disclosures of personal information as or any applicable state or federal law.

XIII. Requests for CDPH PCI by Third Parties: The Contractor and its employees, agents, or subcontractors shall promptly transmit to the CDPH OLS all requests for disclosure of any CDPH PCI requested by third parties to the agreement between the Contractor and CDPH (except from an Individual for an accounting of disclosures of the individual's personal information pursuant to applicable state or federal law), unless prohibited from doing so by applicable state or federal law.

The Contractor and its employees, agents, or subcontractors shall transmit in writing to CDPH Office of Legal Services all requests for disclosure of CDPH PCI from parties other than CDPH WIC within one business day.

Subpoena, search warrant, or other litigation involved requests: **In the event that a subpoena, search warrant, or other litigation involved request for CDPH PCI is received by the Contractor, the Contractor shall immediately notify the CDPH Office of Legal Services contact by telephone call** in order to allow CDPH WIC to follow the procedures and restrictions imposed by 7 Code of Federal Regulations part 246.26(i). CDPH shall be the party with sole authority to determine whether any, and specifically what, information may be produced.

XIV. Audits, Inspection and Enforcement CDPH, USDA, or representatives of the Comptroller General of the United States may inspect the facilities, systems, books and records of the Contractor to monitor

Exhibit G
Information Privacy and Security Requirements
(For CDPH WIC Contracts)

compliance with this Exhibit. The Contractor shall promptly remedy any violation of any provision of this Exhibit and shall certify the same to the CDPH Program Contract Manager in writing.

- XV. Return or Destruction of CDPH PCI on Expiration or Termination: Upon expiration or termination of the agreement between the Contractor and CDPH for any reason, the Contractor shall securely return or destroy the CDPH PCI. If return or destruction is not feasible, the Contractor shall provide a written explanation to the CDPH Program Contract Manager, the CDPH Privacy Officer and the CDPH Chief Information Security Officer, using the contact information listed in Section XI(F), above.
- A. Retention Required by Law: If required by state or federal law, the Contractor shall retain, after expiration or termination, CDPH PCI for the time specified as necessary to comply with the law. Pursuant to 7 C.F.R. part 246.25(a)(2), if records related to the agreement between the Contractor and CDPH, including CDPH PCI, is not returned to CDPH upon the termination of the agreement, all records shall be retained for a minimum of three years. If any litigation, claim, negotiation, audit or other action involving the CDPH PCI shared under this agreement has commenced before the end of the three-year period, the records shall be kept until all issues are resolved, or until the end of the regular three-year period, whichever is later. If USDA or any unit thereof deems any of the CDPH PCIs to be of historical interest, it may require the Contractor to forward such records to USDA or any unit thereof whenever the Contractor is disposing of them.
- B. Obligations Continue Until Return or Destruction: The Contractor's obligations under this Exhibit shall continue until the Contractor returns or destroys the CDPH PCI or returns the CDPH PCI to CDPH; provided however, that on expiration or termination of the agreement between the Contractor and CDPH, the Contractor shall not further use or disclose the CDPH PCI except as required by state or federal law.
- C. Notification of Election to Destroy CDPH PCI: If the Contractor elects to destroy the CDPH PCI, the Contractor shall certify in writing, to the CDPH Program Contract Manager, the CDPH Privacy Officer and the CDPH Chief Information Security Officer, using the contact information listed in Section XI(F), above, that the CDPH PCI has been securely destroyed. The notice shall include the date and type of destruction method used.
- XVI. Amendment: The parties acknowledge that federal and state laws regarding information security and privacy rapidly evolves and that amendment of this Exhibit may be required to provide for procedures to ensure compliance with such laws. The parties specifically agree to take such action as is necessary to implement new standards and requirements imposed by regulations and other applicable laws relating to the security or privacy of CDPH PCI. The parties agree to promptly enter into negotiations concerning an amendment to this Exhibit consistent with new standards and requirements imposed by applicable laws and regulations.
- XVII. Assistance in Litigation or Administrative Proceedings: The Contractor shall make itself and any subcontractors, workforce employees or agents assisting the Contractor in the performance of its obligations under the agreement between the Contractor and CDPH, available to CDPH at no cost to CDPH to testify as witnesses, in the event of litigation or administrative proceedings being commenced against CDPH, its director, officers or employees based upon claimed violation of laws relating to security and privacy, which involves inactions or actions by the Contractor, except where the Contractor or its subcontractor, workforce employee or agent is a named adverse party.

Exhibit G
Information Privacy and Security Requirements
(For CDPH WIC Contracts)

- XVIII. No Third-Party Beneficiaries: Nothing express or implied in the terms and conditions of this Exhibit is intended to confer, nor shall anything herein confer, upon any person other than CDPH or the Contractor and their respective successors or assignees, any rights, remedies, obligations or liabilities whatsoever.
- XIX. Interpretation: The terms and conditions in this Exhibit shall be interpreted as broadly as necessary to implement and comply with regulations and applicable federal and State laws. The parties agree that any ambiguity in the terms and conditions of this Exhibit shall be resolved in favor of a meaning that complies and is consistent with federal and state laws and regulations.
- XX. Survival: If the Contractor does not return or destroy the CDPH PCI upon the completion or termination of the Agreement, the respective rights and obligations of the Contractor under Sections VI, VII, XI, and XIII of this Exhibit shall survive the completion or termination of the agreement between the Contractor and CDPH.

Exhibit G
Information Privacy and Security Requirements
(For CDPH WIC Contracts)

Attachment 1
Contractor Data Security Standards

1. General Security Controls

- A. **Confidentiality Statement.** All persons that will be working with CDPH PCI must sign a confidentiality statement. The statement must include at a minimum, General Use, Security and Privacy safeguards, Unacceptable Use, and Enforcement Policies. The statement must be signed by the workforce member prior to access to CDPH PCI. The statement must be renewed annually. The Contractor shall retain each person's written confidentiality statement for CDPH inspection for a period of three (3) years following contract termination.
- B. **Background check.** Before a member of the Contractor's workforce may access CDPH PCI, the Contractor must conduct a thorough background check of that worker and evaluate the results to assure that there is no indication that the worker may present a risk for theft of confidential data. The Contractor shall retain each workforce member's background check documentation for a period of three (3) years following contract termination.
- C. **Workstation/Laptop encryption.** All workstations and laptops that process and/or store CDPH PCI must be encrypted using a FIPS 140-2 certified algorithm, such as Advanced Encryption Standard (AES), with a 128bit key or higher. The encryption solution must be full disk unless approved by the CDPH Information Security Office.
- D. **Server Security.** Servers containing unencrypted CDPH PCI must have sufficient administrative, physical, and technical controls in place to protect that data, based upon a risk assessment/system security review.
- E. **Minimum Necessary.** Only the minimum necessary amount of CDPH PCI required to perform necessary business functions may be copied, downloaded, or exported.
- F. **Removable media devices.** All electronic files that contain CDPH PCI data must be encrypted when stored on any removable media or portable device (i.e. USB thumb drives, floppies, CD/DVD, smart devices tapes etc.). PCI must be encrypted using a FIPS 140-2 certified algorithm, such as Advanced Encryption Standard (AES), with a 128bit key or higher.
- G. **Antivirus software.** All workstations, laptops and other systems that process and/or store CDPH PCI must install and actively use a comprehensive anti-virus software solution with automatic updates scheduled at least daily.
- H. **Patch Management.** All workstations, laptops and other systems that process and/or store CDPH PCI must have operating system and application security patches applied, with system reboot if necessary. There must be a documented patch management process which determines installation timeframe based on risk assessment and vendor recommendations. At a maximum, all applicable patches must be installed within 30 days of vendor release.
- I. **User IDs and Password Controls.** All users must be issued a unique user name for accessing CDPH PCI. Username must be promptly disabled, deleted, or the password changed upon the transfer or termination of an employee with knowledge of the password.

Exhibit G
Information Privacy and Security Requirements
(For CDPH WIC Contracts)

Passwords are not to be shared. Must be at least eight characters. Must be a non-dictionary word. Must not be stored in readable format on the computer. Must be changed every 60 days. Must be changed if revealed or compromised. Must be composed of characters from at least three of the following four groups from the standard keyboard:

- Upper case letters (A-Z)
- Lower case letters (a-z)
- Arabic numerals (0-9)
- Non-alphanumeric characters (punctuation symbols)

- J. **Data Sanitization.** All CDPH PCI must be sanitized using NIST Special Publication 800-88 standard methods for data sanitization when the CDPH PCI is no longer needed.

2. System Security Controls

- A. **System Timeout.** The system must provide an automatic timeout, requiring reauthentication of the user session after no more than 20 minutes of inactivity.
- B. **Warning Banners.** All systems containing CDPH PCI must display a warning banner each time a user attempts access, stating that data is confidential, systems are logged, and system use is for business purposes only. User must be directed to log off the system if they do not agree with these requirements.
- C. **System Logging.** The system must maintain an automated audit trail which can identify the user or system process which initiates a request for CDPH PCI, or which alters CDPH PCI. The audit trail must be date and time stamped, must log both successful and failed accesses, must be read only, and must be restricted to authorized users. This logging must be included for all user privilege levels including, but not limited to, systems administrators. If CDPH PCI is stored in a database, database logging functionality must be enabled. Audit trail data must be archived for at least 3 years after occurrence.
- D. **Access Controls.** The system must use role based access controls for all user authentications, enforcing the principle of least privilege.
- E. **Transmission encryption.** All data transmissions of CDPH PCI outside the contractor's secure internal network must be encrypted using a FIPS 140-2 certified algorithm, such as Advanced Encryption Standard (AES), with a 128bit key or higher. Encryption can be end to end at the network level, or the data files containing CDPH PCI can be encrypted. This requirement pertains to any type of CDPH PCI in motion such as website access, file transfer, and E-Mail.
- F. **Intrusion Detection.** All systems involved in accessing, holding, transporting, and protecting CDPH PCI that are accessible via the Internet must be protected by a comprehensive intrusion detection and prevention solution.

Exhibit G
Information Privacy and Security Requirements
(For CDPH WIC Contracts)

3. Audit Controls

- A. **System Security Review.** All systems processing and/or storing CDPH PCI must have at least an annual system risk assessment/security review which provides assurance that administrative, physical, and technical controls are functioning effectively and providing adequate levels of protection. Reviews shall include vulnerability scanning tools.
- B. **Log Reviews.** All systems processing and/or storing CDPH PCI must have a routine procedure in place to review system logs for unauthorized access.
- C. **Change Control.** All systems processing and/or storing CDPH PCI must have a documented change control procedure that ensures separation of duties and protects the confidentiality, integrity and availability of data.

4. Business Continuity / Disaster Recovery Controls

- A. **Disaster Recovery.** The Contractor must establish a documented plan to enable continuation of critical business processes and protection of the security of electronic CDPH PCI in the event of an emergency. Emergency means any circumstance or situation that causes normal computer operations to become unavailable for use in performing the work required under this agreement for more than 24 hours.
- B. **Data Backup Plan.** The Contractor must have established documented procedures to securely backup CDPH PCI to maintain retrievable exact copies of CDPH PCI. The backups shall be encrypted. The plan must include a regular schedule for making backups, storing backups offsite, an inventory of backup media, and the amount of time to restore CDPH PCI should it be lost. At a minimum, the schedule must be a weekly full backup and monthly offsite storage of CDPH data.

5. Paper Document Controls

- A. **Supervision of Data.** CDPH PCI in paper form shall not be left unattended at any time, unless it is locked in a file cabinet, file room, desk or office. Unattended means that information is not being observed by an employee authorized to access the information. CDPH PCI in paper form shall not be left unattended at any time in vehicles or planes and shall not be checked in baggage on commercial airplanes.
- B. **Escorting Visitors.** Visitors to areas where CDPH PCI is contained shall be escorted and CDPH PHI shall be kept out of sight while visitors are in the area.
- C. **Confidential Destruction.** CDPH PCI must be disposed of through confidential means, using NIST Special Publication 800-88 standard methods for data sanitization when the CDPH PSCI is no longer needed.
- D. **Removal of Data.** CDPH PCI must not be removed from the premises of the Contractor except with express written permission of CDPH.

Exhibit G
Information Privacy and Security Requirements
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- E. ***Faxing.*** Faxes containing CDPH PCI shall not be left unattended and fax machines shall be in secure areas. Faxes shall contain a confidentiality statement notifying persons receiving faxes in error to destroy them. Fax numbers shall be verified with the intended recipient before sending.
- F. ***Mailing.*** CDPH PCI shall only be mailed using secure methods. Large volume mailings of CDPH PHI shall be by a secure, bonded courier with signature required on receipt. Disks and other transportable media sent through the mail must be encrypted with a CDPH approved solution, such as a solution using a vendor product specified on the CALIFORNIA STRATEGIC SOURCING INITIATIVE.

Contractor's Release

Instructions to Contractor:

With final invoice(s) submit one (1) original and one (1) copy. The original must bear the original signature of a person authorized to bind the Contractor. The additional copy may bear photocopied signatures.

Submission of Final Invoice

Pursuant to **contract number** 19-10189 entered into between the State of California Department of Public Health (CDPH) and the Contractor (identified below), the Contractor does acknowledge that final payment has been requested via **invoice number(s)** _____, in the **amount(s) of \$** _____ and **dated** _____.
If necessary, enter "See Attached" in the appropriate blocks and attach a list of invoice numbers, dollar amounts and invoice dates.

Release of all Obligations

By signing this form, and upon receipt of the amount specified in the invoice number(s) referenced above, the Contractor does hereby release and discharge the State, its officers, agents and employees of and from any and all liabilities, obligations, claims, and demands whatsoever arising from the above referenced contract.

Repayments Due to Audit Exceptions / Record Retention

By signing this form, Contractor acknowledges that expenses authorized for reimbursement does not guarantee final allowability of said expenses. Contractor agrees that the amount of any sustained audit exceptions resulting from any subsequent audit made after final payment will be refunded to the State.

All expense and accounting records related to the above referenced contract must be maintained for audit purposes for no less than three years beyond the date of final payment, unless a longer term is stated in said contract.

Recycled Product Use Certification

By signing this form, Contractor certifies under penalty of perjury that a minimum of 0% unless otherwise specified in writing of post consumer material, as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to the State regardless of whether it meets the requirements of Public Contract Code Section 12209. Contractor specifies that printer or duplication cartridges offered or sold to the State comply with the requirements of Section 12156(e).

Reminder to Return State Equipment/Property (If Applicable)

(Applies only if equipment was provided by CDPH or purchased with or reimbursed by contract funds)

Unless CDPH has approved the continued use and possession of State equipment (as defined in the above referenced contract) for use in connection with another CDPH agreement, Contractor agrees to promptly initiate arrangements to account for and return said equipment to CDPH, at CDPH's expense, if said equipment has not passed its useful life expectancy as defined in the above referenced contract.

Patents / Other Issues

By signing this form, Contractor further agrees, in connection with patent matters and with any claims that are not specifically released as set forth above, that it will comply with all of the provisions contained in the above referenced contract, including, but not limited to, those provisions relating to notification to the State and related to the defense or prosecution of litigation.

ONLY SIGN AND DATE THIS DOCUMENT WHEN ATTACHING TO THE FINAL INVOICE

Contractor's Legal Name (as on contract): County of Shasta through its Health and Human Services Agency

Signature of Contractor or Official Designee: _____ Date: _____

Printed Name/Title of Person Signing: _____

CDPH Distribution: Accounting (Original) Program

REPORT TO SHASTA COUNTY BOARD OF SUPERVISORS

BOARD MEETING DATE: September 10, 2019

CATEGORY: Consent - Health and Human Services-14.

SUBJECT:

Homeless Emergency Aid Program (HEAP) subrecipient agreement for Training, Employment, & Community Help, Inc.

DEPARTMENT: Housing and Community Action Programs

Supervisory District No. : All

DEPARTMENT CONTACT: Laura Burch, Director of Housing/Community Action Programs (530) 225-5160

STAFF REPORT APPROVED BY: Laura Burch, Director of Housing/Community Action Programs

Vote Required?	General Fund Impact?
Simple Majority Vote	No Additional General Fund Impact

RECOMMENDATION

Approve and authorize the Chairman to sign a subrecipient agreement with Training, Employment, & Community Help, Inc. in an amount not to exceed \$22,260.82 utilizing Homeless Emergency Aid Program (HEAP) funding for Capital Improvements for the period July 1, 2019 through June 30, 2021.

SUMMARY

N/A

DISCUSSION

On June 27, 2018, Governor Edmund G. Brown, Jr. authorized Senate Bill 850 to provide direct assistance to cities, counties, and Continuums of Care (CoC's) to address the homelessness crisis throughout California. The allocation of funding criteria was based on the homeless population range from the 2017 Homeless Point In Time Count (PIT) and proportionate share of total homeless population based on the 2017 PIT. For the Redding/Shasta, Siskiyou, Lassen, Plumas, Del Norte, Modoc, and Sierra counties' CoC (NorCal CoC) region, an amount of \$2,695,571.87 was awarded through a non-competitive process.

A regional competitive Notice of Funding Availability was distributed to the CoC region on September 26, 2018. The CoC Executive Board approved a county allocation using a methodology that was fair and equitable to all counties. Fifteen applications requesting \$7,496,886 were received from the seven-county region. Through a rating and ranking committee process, applications were awarded in each of the seven counties and an additional application in Shasta County was awarded to allocate Homeless Youth Set-Aside funds. Eligible uses of funds include emergency shelter, transitional housing, small/tiny homes, street outreach, navigation services, rental assistance, eviction prevention and programs to meet the needs of homeless youth or youth at risk of homelessness. Two counties propose to use funds for capital improvement projects, two propose to fund rental assistance, and three propose to fund services such as street outreach.

Training, Employment, and Community Help, Inc. plan to use the funds towards purchasing a multi-unit housing facility. This

agreement is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301 (Existing Facilities) since the proposed work consists of the operation, repair, maintenance, or minor alteration of existing public and private structures, facilities, or mechanical equipment, involving negligible or no expansion of existing or former use.

ALTERNATIVES

The Board could choose to not approve the agreement, defer consideration to a future date (though fifty percent of the funds must be encumbered by January 1, 2020), or provide alternate direction to staff.

OTHER AGENCY INVOLVEMENT

County Counsel previously approved the agreement template as to form. Risk Management previously approved the agreement template. The Recommendation has been reviewed by the County Administrative Office. The NorCal COC supports the recommendation.

FINANCING

HEAP is a state-funded program. No local match is required. There is no additional General Fund impact associated with this Recommendation.

ATTACHMENTS:

Description	Upload Date	Description
TEACH HEAP Agreement	8/20/2019	TEACH HEAP Agreement

SUBRECIPIENT AGREEMENT
Between
SHASTA COUNTY THROUGH ITS COMMUNITY ACTION AGENCY
and
TRAINING, EMPLOYMENT, & COMMUNITY HELP, INC.

This Subrecipient Agreement is entered into between the County of Shasta, through its Housing and Community Action Agency, a political subdivision of the State of California ("SCCAA") and the subrecipient named below.

The term of this Agreement is: July 1, 2019 through June 30, 2021.

The maximum amount of this Agreement is: \$ 22,260.82

The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made as part of the Agreement:

Exhibit A:	Authority, Purpose, and Scope of Work	3 pages
Exhibit B:	Budget Detail and Payment Provisions	3 pages
Exhibit C:	Terms and Conditions	10 pages
Exhibit D:	Special Terms and Conditions (HEAP)	1 page
Exhibit E:	Special Terms and Conditions (SCCAA)	8 pages

TOTAL NUMBER OF PAGES ATTACHED: **25 pages**

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

SUBRECIPIENT TRAINING, EMPLOYMENT, & COMMUNITY HELP, INC.	
------------------------------------------------------------------------------------------	--

Subrecipient's Name:

TRAINING, EMPLOYMENT, & COMMUNITY HELP, INC.

By (Authorized Signature)

8-12-19
Date Signed

Carol Madison Executive Director
Printed Name and Title of Person Signing

112 E. 2nd St, Alturas, CA 96101
Address

SHASTA COUNTY COMMUNITY ACTION AGENCY

By (Authorized Signature)

Date Signed

Leonard F. Moty, Chairman

Printed Name and Title of Person Signing

1450 Court Street Suite 308B, Redding, CA 96001
Address

SUBRECIPIENT AGREEMENT
EXHIBIT A
Authority, Purpose, and Scope of Work
Homeless Emergency Aid Program (HEAP)

1. Authority

Pursuant to Chapter 5 (commencing with Section 50210) of Part 1 of Division 31 of the Health and Safety Code, and all other relevant provisions established under Senate Bill ("SB") 850 (Chapter 48, Statutes of 2018), the State has established the Homeless Emergency Aid Program ("HEAP" or "the Program" or "the grant"). The Program is administered by the California Homeless Coordinating and Financing Council ("Council") in the Business, Consumer Services and Housing Agency ("BCSH"). Shasta County Community Action Agency ("SCCAA") is the recognized Administrative Entity as provided for by HEAP and defined in the September 5, 2018 HEAP Notice of Funding Availability (NOFA) to address immediate homelessness challenges. This Subrecipient Agreement along with all its exhibits ("Agreement") is entered into by SCCAA and the Subrecipient under the authority of, and in furtherance of the purpose of, the Program. Subrecipient acknowledges and understands that SCCAA has entered into a Standard Agreement with BCSH (Agreement Number 18-HEAP-00053, Registration Number CA-516). In signing this Agreement and thereby accepting this award of funds, the Subrecipient agrees to comply with the terms and conditions of the Agreement; the Notice of Funding Availability ("NOFA") under which SCCAA applied for HEAP grant funding jointly on behalf of Shasta County, the Subrecipient and other local agencies; the representations contained in the SCCAA's application; and the requirements of the authority cited above.

2. Purpose

The general purpose of the Program is to pass through one-time block grant funding to address the immediate emergency needs of homeless individuals and individuals at imminent risk of homelessness in the service area of the Subrecipient. In accordance with the authority cited above, an application was made by SCCAA on behalf of the Subrecipient for HEAP funds to be allocated for eligible uses under the grant, which include, but are not limited to, the following: services, rental assistance or subsidies, capital improvements and homeless youth activities.

3. Definitions

Terms herein shall have the same meaning as the definitions set forth in the HEAP NOFA.

4. Scope of Work

The Scope of Work ("Work") for this Agreement shall include one-time uses that are consistent with Chapter 5 (commencing with Section 50210) of Part 1 of Division 31 of the Health and Safety Code, and all other relevant provisions established under SB 850 (Chapter 48, Statutes of 2018), for eligible uses.

Subrecipients' Initials CU

**SUBRECIPIENT AGREEMENT
EXHIBIT A**

5. Agency Contract Coordinator

The SCCAA's Contract Coordinator for this Agreement is the SCCAA Director ("Director") or designee. Unless otherwise instructed, any notice, report or other communication requiring Subrecipient signature for this Agreement shall be mailed by first class mail to the SCCAA Director at the following address:

Shasta County Housing and Community Action Agency Programs Director
1450 Court Street, Suite 108
Redding, CA 96001
lburch@co.shasta.ca.us

6. Subrecipients Contract Coordinator

The Subrecipients Contract Coordinator ("Authorized Representative") for this Agreement is listed below. Unless otherwise informed, any notice, report or other communication required by this Agreement will be mailed by first class mail to the Subrecipients' Contract Coordinator at the following address:

Subrecipients' Authorized Representative Name:	Carol Madison Executive Director, Training, Employment & Community Help, Inc.
Address:	112 East 2 nd Street Alturas, CA 96101
Phone:	530-233-4929
Email:	cmadison@teachinc.org

7. Effective Date, Term of Agreement, and Deadlines

- A. This Agreement is effective upon approval by both SCCAA and Subrecipient as listed on page one, lower left section, Subrecipient Agreement, and signed by both parties.
- B. All HEAP grant funds must be at least 50 percent contractually obligated by January 1, 2020. One hundred percent of grant funds must be expended by June 30, 2021. Any funds not expended by that date shall be returned to the SCCAA and further returned to BCSH and will then revert to the State General Fund (See Health and Safety Code Section 50215).

Subrecipients' Initials 

**SUBRECIPIENT AGREEMENT
EXHIBIT A**

8. Special Conditions

Subrecipient acknowledges and understands that pursuant to Agreement Number 18-HEAP-00053 between SCCAA and the State, the State reserves the right to add any special conditions to its Agreement with SCCAA which the State deems necessary to ensure the goals of the Program are achieved. In the event any such changes are made by the State to its Agreement with SCCAA that necessitate changes to this Subrecipient Agreement, SCCAA reserves the right to add any special conditions to this Agreement it deems necessary to ensure the goals of the Program are achieved.

Subrecipients' Initials CW

**SUBRECIPIENT AGREEMENT
EXHIBIT B**

Budget Detail and Payment Provisions

1. Budget Detail

The Subrecipient agrees that HEAP funds shall be expended on one-time uses that address immediate homelessness challenges and such funds shall be expended in accordance with the grant application, this Agreement, and in accordance with all applicable laws, regulations.

Consistent with the application submitted by SCCAA in December 2018, SCCAA shall award funds in the form of a grant for the following eligible activities:

A.	Capital Improvements:	\$ 22,260.82
B.	Services: Other than Homeless Youth Set-Aside	\$ -0-
C.	Rental Assistance or Subsidies:	\$ -0-
D.	Homeless Youth Set-Aside:	\$ -0-
TOTAL HEAP AWARD AMOUNT:		\$ 22,260.82

2. General Conditions Prior to Disbursement

General Requirements – All Subrecipients must submit the following forms prior to HEAP funds being released:

- A. Request for Funds Form (“RFF”); and
- B. Four original copies of the signed Subrecipient Agreement and initialed Exhibits A through E; and
- C. Any other documents, certifications, or evidence requested by SCCAA or otherwise required by the State or by law as part of the HEAP application.

3. Expenditure of Funds

Specific requirements and deadlines for contractually obligating and expending awarded funds are defined in the HEAP statutes; Health and Safety Code Section 50214 and 50215 mandate the following:

- A. One hundred percent of HEAP funds shall be expended by June 30, 2021.
- B. Any funds not expended by June 30, 2021 shall be returned to SCCAA and will then be returned to BCSH and will revert to the State General Fund.

SCCAA staff will provide ongoing technical assistance and training to support Subrecipients in successfully complying with these deadlines.

Subrecipients' Initials CP

**SUBRECIPIENT AGREEMENT
EXHIBIT B**

HEAP funds may not be obligated or expended prior to the effective date of this Agreement or prior to Subrecipients receipt of HEAP funds, whichever date is later, even if it is for an eligible use under the statute. Program funds shall be expended in compliance with the requirements set forth in Chapter 5 of Part 1 of Division 31 of the Health and Safety Code and all-over relevant provisions established under SB 850, the NOFA, and this Agreement.

4. Disbursement of Funds

Within 30 days of the effective date of this Agreement, Subrecipient shall submit a valid and correct Request for Funds (Exhibit E) to SCCAA. The Request for Funds must include the proposed activities and amount of funds proposed for expenditure under each eligible use. HEAP funds will be disbursed promptly to the Subrecipient upon receipt, review and approval of a completed and correct Request for Funds by SCCAA. Once the Request for Funds has been received by SCCAA, SCCAA will disburse the HEAP funds to Subrecipient in a single allocation in the amount of \$22,260.82, which amount is one-hundred percent (100%) of the HEAP grant funds allocated and awarded to Subrecipient under the HEAP application submitted by SCCAA on behalf of Subrecipient. In no event shall the maximum amount disbursed to Subrecipient by SCCAA exceed \$22,260.82. Subrecipient shall ensure that HEAP funds are held in an interest-bearing account. All interest earned must be expended on awarded eligible activities.

5. Budget Changes

After the effective date of this Agreement, the Subrecipient agrees that no changes shall be made to the Subrecipients HEAP budget, funded homeless service providers, or eligible activities listed in the RFF without first obtaining approval from SCCAA. Subrecipient further agrees that any such changes shall comply with all applicable laws, rules, applications, and State requirements. Any changes to this Agreement must be requested by the Subrecipient in writing through submission of a Change Request Form. Changes must be approved in writing by SCCAA.

6. Ineligible Costs

HEAP funds shall not be used for costs associated with activities in violation of any law or for any activities not consistent with the intent of the Program and the eligible uses identified in Health and Safety Code Section 50214.

SCCAA reserves the right to request additional information and clarification to determine the reasonableness and eligibility of all costs or expenses to be paid or incurred by Subrecipient with funds made available by this Agreement. If the Subrecipient uses HEAP funds to pay for ineligible activities, the Subrecipient shall be required to reimburse these funds to SCCAA.

Subrecipients' Initials CM

- A. An expenditure which is not authorized by this Agreement, or which cannot be adequately documented, shall be disallowed and must be reimbursed to SCCAA by the Subrecipient.
- B. Expenditures for activities not described in Exhibit A or Paragraph 1 above shall be deemed authorized if the activities are consistent with Health and Safety Code Section 50214 and such activities are included in the approved RFF or are approved in writing by SCCAA prior to the expenditure of funds for those activities.
- C. SCCAA, at its sole and reasonable discretion, shall make the final determination regarding allowability of expenditures of HEAP funds.
- D. Program funds shall not be used for overhead or planning activities, including Homeless Management Information Systems or Homelessness Plans.

7. Administrative Costs

- A. Administrative costs are not an eligible expense under this agreement.

Subrecipients' Initials CW

SUBRECIPIENT AGREEMENT
EXHIBIT C
Terms and Conditions
Homeless Emergency Aid Program (HEAP)

1. Effective Date, Commencement of Work, and Completion Dates

- A. This Subrecipient Agreement is effective beginning July 1, 2019. Subrecipient agrees that the work shall not commence, nor any costs to be paid with HEAP funds be incurred or obligated by any party, prior to execution of this Agreement by SCCAA and the Subrecipient, or prior to Subrecipients receipt of HEAP funds, whichever date is later. Subrecipient agrees that the work shall be completed by the expenditure date specified in Exhibit A, Paragraph 7.
- B. Subrecipient must contractually obligate no less than fifty percent of HEAP funds by January 1, 2020. One hundred percent of HEAP funds shall be expended by June 30, 2021. Any funds not expended by June 30, 2021 shall be returned to SCCAA and will then be returned to BCSH and revert to the State General Fund. "Obligate" means that the Subrecipient has placed orders, awarded contracts, received services, or entered similar transactions that require payment from the grant amount. "Expended" means all HEAP funds obligated under contract or subcontract have been fully paid and receipted, and no invoices remain outstanding.
- C. Subrecipient agrees that the work shall be completed by the expiration date specified in Exhibit A, Paragraph 7 and that the Scope of Work will be provided for the full term of this Agreement

2. Sufficiency of Funds and Termination

- A. If Subrecipient materially fails to perform Subrecipients' responsibilities under this Agreement to the satisfaction of SCCAA, or if Subrecipient fails to fulfill in a timely and professional manner Subrecipients' responsibilities under this Agreement, or if Subrecipient violates any of the terms or provisions of this Agreement, then SCCAA shall have the right to terminate this Agreement for cause effective immediately upon the SCCAA giving written notice thereof to Subrecipient. If termination for cause is given by SCCAA to Subrecipient and it is later determined that Subrecipient was not in default or the default was excusable, then the notice of termination shall be deemed to have been given without cause pursuant to paragraph B of this section.
- B. SCCAA may terminate this Agreement without cause on 30 days written notice to Subrecipient.

Subrecipients' Initials CU

**SUBRECIPIENT AGREEMENT
EXHIBIT C**

- C. SCCAA may terminate this Agreement immediately upon oral notice should funding cease or be materially decreased during the term of this Agreement.
- D. SCCAA's right to terminate this Agreement may be exercised by the Shasta County Executive Officer, or his/her designee, and/or the Director of Housing and Community Action Agency, or his/her designee.
- E. Should this Agreement be terminated, Subrecipient shall promptly provide to SCCAA any and all finished and unfinished reports, data, studies, photographs, charts, and other documents prepared by Subrecipient pursuant to this Agreement.
- F. If this Agreement is terminated, Subrecipient shall only be paid for services satisfactorily completed and provided prior to the effective date of termination and return all awarded funds not expended on eligible activities within 30 days of termination date including all earned interest.

3. Transfers

Subrecipient may not transfer or assign by subcontract or novation, or by any other means, the rights, duties, or performance of this Agreement or any part thereof, except with the prior written approval of SCCAA and a formal amendment to this Agreement to affect such subcontract or novation.

4. Subrecipients' Application for Funds

- A. Subrecipient has submitted to SCCAA an application for HEAP funds to provide urgently needed emergency assistance to homeless people in communities with a declared shelter crisis or applicable waiver as authorized by Health and Safety Code Section 50212(b). Subrecipient is entering into this Agreement on the basis of, and in substantial reliance upon, Subrecipients' facts, information, assertions and representations contained in that Application, and in any subsequent modifications or additions thereto approved by SCCAA. The Application and any approved modifications and additions thereto are hereby incorporated into this Agreement.
- B. Subrecipient warrants that all information, facts, assertions and representations contained in the Application and approved modifications and additions thereto are true, correct, and complete to the best of the Subrecipients' knowledge. In the event that any part of the Application and any approved modification and addition thereto is untrue, incorrect, incomplete, or misleading in such a manner that would substantially affect SCCAA approval, disbursement, or monitoring of the funding and the grants or activities governed by this Agreement, then SCCAA may declare a breach hereof and take such action or pursue such remedies as are provided for breach hereof.

Subrecipients' Initials en

**SUBRECIPIENT AGREEMENT
EXHIBIT C**

5. Reporting/Audits

- A. The Subrecipient shall submit Quarterly reports, first quarterly report due October 15, 2019 and quarterly thereafter; and an annual report to SCCAA on forms provided by SCCAA, by December 15, 2019 and December 15, 2020. If the Subrecipient fails to provide such documentation, SCCAA may terminate this Agreement. A final report must be submitted by Subrecipient by September 15, 2021.
- B. The Quarterly reports and annual reports shall contain a detailed report regarding the following:
 - 1. Amount of award with activity (ies).
 - 2. Contract expenditures.
 - 3. Unduplicated number of homeless persons or persons at imminent risk of homelessness served.
 - 4. Number of instances of service (defined in September 5, 2018 HEAP NOFA).
 - 5. Increases in capacity for new and existing programs.
 - 6. The number of unsheltered homeless persons becoming sheltered.
 - 7. The number of homeless persons entering permanent housing.
(May be reflected using a completed Logic Model)
- C. Breakdowns will be expected for each activity (i.e. services, capital improvements, rental assistance, etc.) and program type (i.e. emergency shelter, rapid re-housing, outreach, etc.) for the supplemental reporting requirements listed above when applicable. The same information will also be requested specifically for the following subpopulations, based on priorities defined by the U. S. Department of Housing and Urban Development ("HUD"):
 - 1. Chronically homeless
 - 2. Homeless veterans
 - 3. Unaccompanied homeless youth
 - 4. Homeless persons in families with children
- D. Counts by subpopulation will not be required in cases where that information is unavailable, but it is expected in cases where client information is entered in a Homeless Management System ("HMIS").
- E. The Subrecipient will also be asked to comment on the following:
 - 1. Progress made toward local homelessness goals.
 - 2. The alignment between HEAP funding programs and "Housing First" principles adopted by the Homeless Coordinating and Financing Council.
 - 3. Any other effects from HEAP funding that the CoC or large city would like to share (optional).

Subrecipients' Initials Cn

**SUBRECIPIENT AGREEMENT
EXHIBIT C**

- F. SCCAA reserves the right to perform or cause to be performed a financial audit. At SCCAA's request, the Subrecipient shall provide, at its own expense, a financial audit prepared by an independent certified public accountant.
1. If a financial audit is required by SCCAA, the audit shall be performed by an independent certified public accountant.
 2. The Subrecipient shall notify SCCAA of the auditor's name and address immediately after the selection has been made. The contract for the audit shall allow access by SCCAA to the independent auditor's working papers.
 3. The Subrecipient is responsible for the completion of audits and all costs of preparing audits.
 4. If there are audit findings, the Subrecipient must submit a detailed response acceptable to SCCAA for each audit finding within 90 days from the date of the audit finding.

6. Access to Records; Records Retention

- A. SCCAA, federal, and state officials shall have access to any books, documents, papers, and records of Subrecipient that are directly pertinent to the subject matter of this Agreement for the purpose of auditing or examining the activities of Subrecipient or SCCAA. This provision shall survive the termination, expiration, or cancellation of this Agreement.
- B. Subrecipient shall maintain appropriate records to insure a proper accounting of all funds and expenditures pertaining to the work performed or the services provided pursuant to this Agreement.
- C. Subrecipient agrees to accept responsibility for receiving, replying to, and/or complying with any audit exception by appropriate federal, state, or SCCAA audit directly related to the provisions of this Agreement. Subrecipient agrees to repay SCCAA the full amount of payment received for duplicate billings, erroneous billings, audit exceptions, or false or deceptive claims. Subrecipient agrees that SCCAA may withhold any money due and recover through any appropriate method any money erroneously paid under this Agreement if evidence exists of less than full compliance with this Agreement including, but not limited to, exercising a right of set-off against any compensation payable to Subrecipient.

Subrecipients' Initials CM

**SUBRECIPIENT AGREEMENT
EXHIBIT C**

7. Retention and Inspection of Records

- A. The Subrecipient agrees that SCCAA or its designee shall have the right to review, obtain, and copy all records and supporting documentation pertaining to performance of this Agreement. The Subcontractor agrees to provide SCCAA or its designee, with any relevant information requested. The Subcontractor agrees to permit SCCAA or its designee access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees who might reasonably have information related to such records and inspecting and copying such books, records, accounts, and other materials that may be relevant to a matter under investigation for the purpose of determining compliance with the Chapter 5 of Part 1 of Division 31 of the Health and Safety Code and all other applicable requirements established under SB 850, HEAP program guidance document published on the website, and this Agreement.
- B. The Subcontractor further agrees to retain all records described in Paragraph A for a minimum period of five years after the termination of this Agreement.
- C. If any litigation, claim, negotiation, audit, monitoring, inspection or other action has been commenced before the expiration of the required record retention period, all records must be retained until completion of the action and resolution of all issues which arise from it.

8. Breach and Remedies

- A. The following shall each constitute a breach of this Agreement:
 - 1. Subrecipients' failure to comply with the terms or conditions of this Agreement.
 - 2. Use of, or permitting the use of, HEAP funds provided under this Agreement for any ineligible activities.
 - 3. Any failure to comply with the deadlines set forth in this Agreement.
- B. In addition to any other remedies that may be available to SCCAA in law or equity for breach of this Agreement, SCCAA may:
 - 1. Bar the Subrecipient from applying for future HEAP funds;
 - 2. Revoke any other existing HEAP award(s) to the Subrecipient;
 - 3. Require the return of any unexpended HEAP funds disbursed under this Agreement;
 - 4. Require repayment of HEAP funds disburse and expended under this Agreement;
 - 5. Require the immediate return to SCCAA of all funds derived from the use of HEAP funds including, but not limited to, recapture funds and returned funds;
 - 6. Seek, in a court of competent jurisdiction, an order for specific performance of the defaulted obligation or the appointment of a receiver to complete the technical assistance in accordance with HEAP requirements; and
 - 7. Seek such other remedies as may be available under this Agreement or any law.

Subrecipients' Initials CM

**SUBRECIPIENT AGREEMENT
EXHIBIT C**

- C. All remedies available to SCCAA are cumulative and not exclusive.
- D. SCCAA may give written notice to the Subrecipient to cure the breach or violation within a period of not less than 15 days of the written notice date.

9. Nonassignment of Agreement; Non Waiver

Inasmuch as this Agreement is intended to secure the specialized services of Subrecipient, Subrecipient may not assign, transfer, delegate, or sublet any interest herein without the prior written consent of SCCAA. The waiver by SCCAA of any breach of any requirement of this Agreement shall not be deemed to be a waiver of any other breach.

10. Compliance with Laws; Non-Discrimination

During the performance of this Agreement, Subrecipient and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, gender identity, gender expression, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), genetic information, marital status, military and veteran status, and denial of medical and family care leave or pregnancy disability leave. Subrecipients and subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Subrecipient and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code section 12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, section 7285 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. Subrecipient and its subcontracts shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

Subrecipients' Initials CS

**SUBRECIPIENT AGREEMENT
EXHIBIT C**

11. Conflict of Interest

All participants are subject to State and Federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent contract being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code section 1090 and Public Contract Code, sections 10410 and 10411, for State conflict of interest requirements.

- A. Current State Employees: No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest, and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.
- B. Former State Employees: For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left the State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to this or her leaving State service.
- C. Employees of the Subrecipient: Employees of the Subrecipient shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act, Government Code section 87100 et seq.

12. Drug-Free Workplace Certification

Certification of Compliance: By signing this Agreement, Subrecipient, and its subrecipients, hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Government Code 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:

- A. Publish a statement notifying employees and subrecipients that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subrecipients for violations, as required by Government Code section (8355(a)(1).

Subrecipients' Initials CR


SUBRECIPIENT AGREEMENT

EXHIBIT C

- B. Establish a Drug-Free Awareness Program, as required by Government Code section 8355(a)(2) to inform employees, contractors, or subrecipients about all of the following:
1. The dangers of drug abuse in the workplace;
 2. Subrecipients' policy of maintaining a drug-free workplace;
 3. Any available counseling, rehabilitation, and employee assistance programs; and
 4. Penalties that may be imposed upon employees, contractors, and subrecipients for drug abuse violations.
- C. Provide, as required by Government Code section 8355(a)(3), that every employee and/or subrecipient who works under this Agreement:
1. Will receive a copy of Subrecipients' drug-free policy statement, and
 2. Will agree to abide by terms of Subrecipients' condition of employment or subcontract.

13. Compliance with Child, Family, and Spousal Support Reporting Obligations

- A. Subrecipients' failure to comply with state and federal child, family, and spousal support reporting requirements regarding Subrecipients' employees or failure to implement lawfully served wage and earnings assignment orders or notices of assignment relating to child, family, and spousal support obligations shall constitute a default under this Agreement. Subrecipients' failure to cure such default within 90 days of notice by SCCAA shall be grounds for termination of this Agreement.
- B. For any Contract or Subcontract Agreement in excess of \$100,000, the Subrecipient acknowledges in accordance with Public Contract Code 7110, that:
1. The Subcontractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state 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
 2. The Subcontractor, 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.

Subrecipients' Initials 

**SUBRECIPIENT AGREEMENT
EXHIBIT C**

14. Special Conditions – Contractors/Subrecipient

- A. The Subrecipient agrees to comply with all conditions of this Agreement including the Special Conditions set forth in Exhibit D. These conditions shall be met to the satisfaction of SCCAA prior to disbursement of funds. The Subrecipient shall ensure that all of its subrecipients are made aware of and agree to comply with all the conditions of this Agreement and the applicable State requirements governing the use of
- B. HEAP funds. Failure to comply with these conditions may results in termination of this Agreement.
- C. The Agreement between SCCAA and Subrecipient and any of its subrecipients shall require the Subrecipient and its subrecipients, if any, to:
 - 1. Perform the work in accordance with Federal, State, and Local housing and building codes, as applicable.
 - 2. Maintain at least the minimum State-required worker's compensation for those employees who will perform the work or any part of it.
 - 3. Maintain, as required by law, unemployment insurance, disability insurance, and liability insurance in an amount that is reasonable to compensate any person, firm or corporation who may be injured or damaged by the Subrecipient or any of its subrecipient in performing the Work or any part of it.
 - 4. Agree to include all the terms of this Agreement in each subcontract.

15. Compliance with State and Federal Laws, Rules, Guidelines, and Regulations

- A. The Subrecipient agrees to comply with State and Federal laws, rules and regulations that pertain to construction, prevailing wages and rates, health and safety, labor, fair employment practices, environmental protection, equal opportunity, fair housing, and all other matters applicable and/or related to the HEAP program, the Subrecipient, its subrecipients and all eligible activities.
- B. Subrecipient shall also be responsible for obtaining any and all permits, licenses, and approvals required for performing any activities under this Agreement, including those necessary to perform design, construction, or operation and maintenance of the activities.
- C. Subrecipient shall be responsible for observing and complying with any applicable federal, state, and local laws, rules or regulations affecting any such work, specifically those including, but not limited to, environmental protection, procurement, and safety laws, rules, regulations, and ordinances. Subrecipient shall provide copies of permits and approvals to SCCAA upon request.

Subrecipients' Initials

**SUBRECIPIENT AGREEMENT
EXHIBIT C**

16. Inspections

- A. Subrecipient shall inspect any work performed hereunder to ensure that the work is being and has been performed in accordance with the applicable Federal, State, and/or local requirements, and this Agreement.
- B. SCCAA reserves the right to inspect any work performed hereunder to ensure that the work is being and has been performed in accordance with the applicable Federal, State, and/or local requirements, and this Agreement.
- C. Subrecipient agrees to require that all work that is determined based on such inspections not to conform to the applicable requirements be corrected and to withhold payments to the Subrecipient or subcontractor until it is corrected.

17. Litigation

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

Subrecipients' Initials CP


SUBRECIPIENT AGREEMENT
EXHIBIT D
SPECIAL TERMS AND CONDITIONS
Homeless Emergency Aid Program (HEAP)

1. Special Conditions.

- A. All proceeds from any interest-bearing account established by the Subrecipient for the deposit of HEAP funds, along with any interest-bearing accounts opened by subrecipients to Subrecipient for the deposit of HEAP funds, must be used for HEAP-eligible activities.
- B. Any housing-related activities funded with HEAP funds, including but not limited to, emergency shelter, rapid-rehousing, rental assistance, transitional housing, and permanent supportive housing must be in compliance or otherwise aligned with the Core Components of Housing First, pursuant to Welfare and Institution Code Section 8255(b).
- C. SCCAA agrees to provide Subrecipient access to Homeless Management Information System ("HMIS") with an executed Personal Services and Sublicense Agreement. All client level data must be collected and entered into HMIS for all persons served using HEAP funds. SCCAA may be required to participate in any statewide initiatives as directed by BSCH including but not limited to, a statewide data integration environment.

2. Entire Agreement; Amendments; Headings; Exhibits/Appendices

- A. This Agreement constitutes the entire understanding of the Parties hereto. Subrecipient shall be entitled to no other benefits other than those specified herein. Subrecipient specifically acknowledges that in entering into and executing this Agreement, Subrecipient relies solely upon the provisions contained in this Agreement and no others.
- B. No changes, amendments, or alterations to this Agreement shall be effective unless in writing and signed by both Parties. However, minor amendments, including retroactive, that do not result in a substantial or functional change to the original intent of this Agreement and do not cause an increase to the maximum amount payable under this Agreement may be agreed to in writing between Subrecipient and SCCAA's Director, provided that the amendment is in substantially the same format as the SCCAA's standard format amendment contained in the Shasta County Contracts Manual (Administrative Policy 6-101).
- C. The headings that appear in this Agreement are for reference purposes only and shall not affect the meaning or construction of this Agreement.

Subrecipients' Initials 

SUBRECIPIENT AGREEMENT
EXHIBIT E
SPECIAL TERMS AND CONDITIONS
SCCAA

1. Employment Status of Subrecipient

Subrecipient shall, during the entire term of this Agreement, be construed to be an independent contractor, and nothing in this Agreement is intended nor shall be construed to create an employer-employee relationship, a joint venture relationship, or to allow SCCAA to exercise discretion or control over the professional manner in which Subrecipient performs the work or services that are the subject matter of this Agreement; provided, however, that the work or services to be provided by Subrecipient shall be provided in a manner consistent with the professional standards applicable to such work or services. The sole interest of SCCAA is to insure that the work or services shall be rendered and performed in a competent, efficient, and satisfactory manner. Subrecipient shall be fully responsible for payment of all taxes due to the State of California or the federal government that would be withheld from compensation if Subrecipient were a SCCAA employee. SCCAA shall not be liable for deductions for any amount for any purpose from Subrecipients compensation. Subrecipient shall not be eligible for coverage under SCCAA's workers' compensation insurance plan nor shall Subrecipient be eligible for any other SCCAA benefit. Subrecipient must issue W-2 and 941 Forms for income and employment tax purposes, for all of Subrecipients assigned personnel under the terms and conditions of this Agreement.

2. Indemnification

To the fullest extent permitted by law, Subrecipient shall indemnify and hold harmless CAA, its elected officials, officers, employees, agents, and volunteers against all claims, suits, actions, costs, expenses (including, but not limited to, reasonable attorney's fees of County Counsel and counsel retained by County, expert fees, litigation costs, and investigation costs), damages, judgments, or decrees arising from the work or the provision of services undertaken pursuant to this agreement by Subrecipient, or by any of Subrecipients' subcontractors, any person employed under Subrecipient, or under any subcontractor, or in any capacity, except when the injury or loss is caused by the sole negligence or intentional wrongdoing of CAA. Subrecipient shall also, at Subrecipients' own expense, defend the CAA, its elected officials, officers, employees, agents, and volunteers, against any claim, suit, action, or proceeding brought against CAA, its elected officials, officers, employees, agents, and volunteers, arising from the work or the provision of services undertaken pursuant to this agreement by Subrecipient, or any of Subrecipient subcontractors, any person employed under Subrecipient, or under any Subcontractor, or in any capacity. Subrecipient shall also defend and indemnify CAA for any adverse determination made by the Internal Revenue Service or the State Franchise Tax Board and/or any other taxing or regulatory agency and shall defend, indemnify, and hold harmless CAA with respect to Subrecipients' "independent contractor" status that would establish a liability on CAA for failure to make social security deductions or contributions or income tax withholding payments, or any other legally mandated payment. The provisions of this paragraph are intended to be interpreted as broadly as permitted by applicable law. This provision shall survive the termination, expiration, or cancellation of this agreement.

Subrecipients' Initials CS

**SUBRECIPIENT AGREEMENT
EXHIBIT E**

3. Insurance Coverage

- A. Without limiting Subrecipients' duties of defense and indemnification, Subrecipient and any subcontractor shall obtain, from an insurance carrier authorized to transact business in the State of California, and maintain continuously during the term of this agreement Commercial General Liability Insurance, including coverage for owned and non-owned automobiles, and other coverage necessary to protect Shasta County and the public with limits of liability of not less than \$1 million per occurrence; such insurance shall be primary as to any other insurance maintained by County.
- B. Subrecipient and any subcontractor shall obtain and maintain continuously required Workers' Compensation and Employer's Liability Insurance to cover Subrecipient, subcontractor, Subrecipients' partner(s), subcontractor's partner(s), Subrecipients' employees, and subcontractor's(s') employees with an insurance carrier authorized to transact business in the State of California covering the full liability for compensation for injury to those employed by Subrecipient or subcontractor. Each such policy shall be endorsed to state that the Workers' Compensation carrier waives its right of subrogation against *Shasta County, its elected officials, officers, employees, agents, and volunteers* which might arise in connection with this agreement. Subrecipient hereby certifies that Subrecipient is aware of the provisions of section 3700 of the Labor Code, which requires every employer to insure against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code, and Subrecipient shall comply with such provisions before commencing the performance of the work or the provision of services pursuant to this agreement
- C. Subrecipient shall obtain and maintain continuously a policy of Errors and Omissions coverage with limits of liability of not less than \$1 million per occurrence.
- D. Subrecipient shall require subcontractors to furnish satisfactory proof to SCCAA that liability and workers' compensation and other required types of insurance have been obtained and are maintained similar to that required of Subrecipient pursuant to this agreement.
- E. With regard to all insurance coverage required by this agreement:
 - (1) Any deductible or self-insured retention exceeding \$25,000 for Subrecipient or subcontractor shall be disclosed to and be subject to

Subrecipients' Initials

approval by the Shasta County Risk Manager prior to the effective date of this agreement.

- (2) If any insurance coverage required hereunder is provided on a "claims made" rather than "occurrence" form, Subrecipient or subcontractor shall maintain such insurance coverage with an effective date earlier or equal to the effective date of this agreement and continue coverage for a period of three years after the expiration of this agreement and any extensions thereof. In lieu of maintaining post-agreement expiration coverage as specified above, Subrecipient or subcontractor may satisfy this provision by purchasing tail coverage for the claims-made policy. Such tail coverage shall, at a minimum, provide the insurance coverage required hereunder for claims received and reported three years after the expiration date of this agreement.
- (3) All insurance (except workers' compensation and professional liability) shall include an endorsement or an amendment to the policy of insurance which names *Shasta County, its elected officials, officers, employees, agents, and volunteers as additional insureds*. In the event that coverage is reduced or canceled, a notice of said reduction or cancellation shall be provided to County within 24 hours. Any available insurance proceeds in excess of the specified minimum limits and coverage pursuant to the terms of this agreement shall be applicable to the Additional Insured. The additional insureds coverage shall be equal to Insurance Service Office endorsement CG 20 10 for on-going operations, and CG 20 37 for completed operations.
- (4) Each insurance policy (except for workers' compensation and professional liability policies), or an endorsement thereto, shall contain a "separation of insureds" clause which shall read:

"Separation of Insureds.

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
 - b. Separately to each suit insured against whom a claim is made or suit is brought."
- (5) Subrecipient shall provide SCCAA with an endorsement or amendment to Subrecipients' policy of insurance as evidence of insurance protection before the effective date of this agreement.

Subrecipients' Initials CO

- (6) The insurance coverage required herein shall be in effect at all times during the term of this agreement. In the event any insurance coverage expires at any time during the term of this agreement, Subrecipient shall provide SCCAA, at least 20 days prior to said expiration date, a new endorsement or policy amendment evidencing insurance coverage as provided for herein for not less than the remainder of the term of this agreement or for a period of not less than one year. In the event Subrecipient fails to keep in effect at all times insurance coverage as herein provided and a renewal endorsement or policy amendment is not provided within 10 days of the expiration of the endorsement or policy amendment in effect at inception of this agreement, SSCCAA may, in addition to any other remedies it may have, terminate this agreement upon the occurrence of such event.
- (7) If the endorsement or amendment does not reflect the limits of liability provided by the policy of insurance, Subrecipient shall provide SCCAA a certificate of insurance reflecting those limits.
- (8) Any of Subrecipients' Excess Insurance shall contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of Shasta County.

4. Notice of Claim; Applicable Law; Venue

- A. If any claim for damages is filed with Subrecipient or if any lawsuit is instituted concerning Subrecipients' performance under this Agreement and that in any way, directly or indirectly, contingently or otherwise, affects or might reasonably affect SCCAA, Subrecipient shall give prompt and timely notice thereof to SCCAA. Notice shall be prompt and timely if given within 30 days following the date of receipt of a claim or 10 days following the date of service of process of a lawsuit. This provision shall survive the termination, expiration, or cancellation of this Agreement.
- B. Any dispute between the Parties, and the interpretation of this Agreement, shall be governed by the laws of the State of California. Any litigation shall be venued in Shasta County.

5. Performance Standards

Subrecipient shall perform the work or services required by this Agreement in accordance with the industry and/or professional standards applicable to Subrecipients' work or services.

6. Notices

- A. Except as provided in Exhibit C, section 2.C. of this Agreement (oral notice of termination due to insufficient funding), any notices required or permitted pursuant to the terms and provisions of this Agreement shall be given to the appropriate Party at the address specified below or at such other address as the Party shall specify in writing Such notice shall be deemed given: (1) upon

personal delivery; or (2) if sent by first class mail, postage prepaid, two days after the date of mailing.

If to SCCAA: Director
 Shasta County Department of Housing and
 Community Action Agency
 1450 Court Street, Suite 108
 Redding, CA 96001
 Telephone (530) 225-5160
 Fax (530) 225-5178

If to Subrecipient: Director
 Training, Employment, & Community Help, Inc.
 112 East 2nd Street
 Alturas, CA 96101
 Telephone (530) 233-4929

- B. Any oral notice authorized by this Agreement shall be given to the persons specified in Section 6.A. above and shall be deemed to be effective immediately.
- C. Unless otherwise stated in this Agreement, any written or oral notices on behalf of the SCCAA as provided for in this Agreement may be executed and/or exercised by the Shasta County Executive Officer.

7. Agreement Preparation

It is agreed and understood by SCCAA and Subrecipient that this Agreement has been arrived at through negotiation and that neither party is to be deemed the party which created any uncertainty in this Agreement within the meaning of section 1654 of the Civil Code.

8. Compliance with Political Reform Act

Subrecipient shall comply with the California Political Reform Act (Government Code, sections 81000, *et seq.*), with all regulations adopted by the Fair Political Practices Commission pursuant thereto, and with the SCCAA's Conflict of Interest Code, with regard to any obligation on the part of Subrecipient to disclose financial interests and to recuse from influencing any SCCAA decision which may affect Subrecipients financial interests. If required by the SCCAA's Conflict of Interest Code, Subrecipient shall comply with the ethics training requirements of Government Code sections 53234, *et seq.*

9. Property Taxes

Subrecipient represents and warrants that Subrecipient, on the date of execution of this Agreement, (1) has paid all property taxes for which Subrecipient is obligated to pay or (2) is current in payments due under any approved property tax payment

Page 6 of 9

Subrecipients' Initials *CM*

arrangement. Subrecipient shall make timely payment of all property taxes at all times during the term of this Agreement.

10. Severability

If any portion of this Agreement or application thereof to any person or circumstance is declared invalid by a court of competent jurisdiction or if it is found in contravention of any federal or state statute or regulation or SCCAA ordinance, the remaining provisions of this Agreement, or the application thereof, shall not be invalidated thereby and shall remain in full force and effect to the extent that the provisions of this Agreement are severable.

11. Scope and Ownership of Work

All research data, reports, and every other work product of any kind or character arising from or relating to this Agreement shall become the property of the SCCAA and be delivered to the SCCAA upon completion of its authorized use pursuant to this Agreement. SCCAA may use such work products for any purpose whatsoever. All works produced under this Agreement shall be deemed works produced by a contractor for hire, and all copyright with respect thereto shall vest in the SCCAA without payment of royalty or any other additional compensation. Notwithstanding anything to the contrary contained in this Agreement, Subrecipient shall retain all of Subrecipients' rights in Subrecipients' own proprietary information, including, without limitation, Subrecipients' methodologies and methods of analysis, ideas, concepts, expressions, know how, methods, techniques, skills, knowledge, and experience possessed by Subrecipient prior to, or acquired by Subrecipient during the performance of this Agreement and Subrecipient shall not be restricted in any way with respect thereto.

12. Prevailing Wages

County shall and shall require Subrecipient and Subrecipient's subcontractor(s) performing any work that constitutes a public works project as defined by California law including, but not limited to, construction, improvement, demolition, alteration, renovation, or repair of a publicly leased or operated building or structure, to comply with all provisions of California law regarding construction that constitutes a public works project. Any agreement between County, Subrecipient and a third party for work that constitutes a public works project shall include the following provision:

- A. Subrecipient shall pay, and shall require any subcontractor to pay, not less than the specified prevailing rates of per diem wages to all laborers, workers, and mechanics employed by them in the execution of this Agreement in accordance with the provisions of Article 2 (commencing with section 1770) of Chapter 1 of Part 7 of Division 2 of the Labor Code. Copies of the prevailing rate of per diem wages are on file at Shasta County's Department of Public Works, located at 1855 Placer Street, Redding, California, and are available to Subrecipient upon request. Subrecipient shall also pay, and shall require each subcontractor

Subrecipients' Initials Len

to pay, travel and subsistence payments to each laborer, worker, and mechanic needed to execute the work.

13. California Environmental Quality Act ("CEQA"): Notice of Exemption

Subrecipient shall conduct a review to determine Scope of Work, as prescribed in Exhibit A Section 7. ("Project"), is exempt from CEQA (CCR §15061). After determining Project is exempt, Subrecipient shall prepare and file a notice of exemption to County (CCR §15061).

Signature Page Follows

Subrecipients' Initials *CS*

IN WITNESS WHEREOF, SCCAA and Subrecipient have executed this Agreement on the dates set forth below. By their signatures below, each signatory represents that he/she has the authority to execute this Agreement and to bind the Party on whose behalf his/her execution is made.

SCCAA

Date: _____

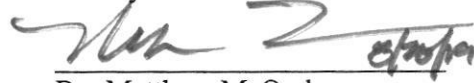
LEONARD MOTY, CHAIRMAN
Board of Supervisors
County of Shasta
State of California

ATTEST:


LAWRENCE G. LEES
Clerk of the Board of Supervisors

By: _____
Deputy

Approved as to form:
RUBIN E. CRUSE, JR
County Counsel



By: Matthew McOmber
Senior Deputy County Counsel

RISK MANAGEMENT APPROVAL

By:  08/15/19
James Johnson
Risk Management Analyst III

SUBRECIPIENT

Date: 8-12-19

By: 
Carol Madison
Training, Employment & Community Help, Inc.
Executive Director

Tax I.D.#: 94-2578204

Subrecipients' Initials CM

**SUBRECIPIENT AGREEMENT
EXHIBIT E**

Shasta County Community Action Agency
1450 Court Street Ste 108
Redding, CA 96001

**HOMELESS EMERGENCY AID PROGRAM
Subrecipient Request for Funds Form (RFF)**

Contract Number: SCCAA HEAP-2019-2 **Expiration Date:** 06/30/2021

Invoice Number:

Subrecipient: Contact Person: Carol Madison

Contact Person Title: Executive Director of Teach, Employment & Community Help, Inc.

E-Mail: cmadison@teachinc.org

Phone Number: 530-233-3111 x1005

HOMELESS EMERGENCY AID EXPENDITURES BREAKDOWN

This billing is for the period of _____ to _____.

BUDGET BREAKDOWN		REQUEST
Proposed	Approved	Draw Amount
Services (-Youth Set-Aside)	\$ -0-	
Rental Assistance or Subsidies	\$ -0-	
Capital Improvements	\$ 22,260.82	
Homeless Youth Set-Aside	\$ -0-	
Administrative Costs	\$ -0-	
Other: _____		
Other: _____		
TOTAL	\$ 22,260.82	

CERTIFICATION

"By signing this form, I certify to the best of my knowledge and belief that the form is true, complete, and accurate, and the activities and budget are for the purposes and objectives set forth in the terms and conditions of the HEAP Subrecipient Agreement. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise."

--	--

Name of Authorized Person

Date

--	--

Signature of Authorized Person

Date

SCCAA Use Only	
-----------------------	--

--	--

SCCAA Authorizing Approval Signature

Date

Subrecipients' Initials *CS*

REPORT TO SHASTA COUNTY BOARD OF SUPERVISORS

BOARD MEETING DATE: September 10, 2019

CATEGORY: Consent - Law and Justice-15.

SUBJECT:

Agreement with Lexipol

DEPARTMENT: District Attorney

Supervisory District No. : All

DEPARTMENT CONTACT: Cindy Wilson, Staff Services Manager (530) 245-6311

STAFF REPORT APPROVED BY: Stephanie Bridgett, District Attorney

Vote Required?	General Fund Impact?
Simple Majority Vote	No Additional General Fund Impact

RECOMMENDATION

Approve and authorize the Chairman to sign a retroactive evergreen agreement with Lexipol, LLC in an annual advance payment amount of \$13,242 (subject to modification in future years) for the subscription of Law Enforcement Policy Manual, updates, and support, effective August 1, 2019.

SUMMARY

Lexipol provides comprehensive, defensible policies written by legal and public safety professionals.

DISCUSSION

Lexipol is the only company that offers digital Law Enforcement policy manual management and regular policy updates. Lexipol has state-specific policies, law enforcement practices and easy customization. Customization and maintaining Lexipol's policies takes only a fraction of the time compared to inner or other county policy management.

Lexipol provides more than 150 policies based on federal and state statutes, case law, regulations and best practices and is written by legal and public safety professionals who constantly monitor major court decisions, legislation and emerging trends affecting the Law Enforcement industry. Lexipol provides regular updates in response to legislative mandates, case law and the evolution of best practices.

Due to processing delays this agreement is retroactive.

Advance payment is typical in this type of agreement.

ALTERNATIVES

The Board may choose not to approve this agreement.

OTHER AGENCY INVOLVEMENT

County Counsel has approved the agreement as to form. Risk Management has approved the agreement. The Chief Information Officer has approved this agreement. The Recommendation has been reviewed by the County Administrative Office.

FINANCING

Appropriations for this agreement are included in the District Attorney's Fiscal Year 2019-20 Adopted Budget. There is no additional General Fund impact associated with this Recommendation.

ATTACHMENTS:

Description	Upload Date	Description
Lexipol	8/29/2019	Lexipol



AGREEMENT FOR USE OF SUBSCRIPTION MATERIAL

Agency's Name: Shasta County District Attorney Office
Agency's Address: 1355 West St
Redding, California 96001

Attention:

Lexipol's Address: 2801 Network Boulevard, Suite 500
Frisco, Texas 75034

Attention: Rosemarie Curran

Effective Date: 8-1-19
(to be completed by Lexipol upon receipt of signed Agreement)

The Agreement for Use of Subscription Material is between Lexipol, LLC, a Delaware limited liability company ("**Lexipol**"), and the Agency identified above. The Agreement consists of (a) this cover sheet; (b) **Exhibit A** (Subscriptions Being Purchased and Subscription Fees) attached to this cover sheet, (c) **Exhibit B** (General Terms and Conditions) attached to this cover sheet, and (d) **Exhibit C** (Scope of Services) attached to this cover sheet. Capitalized terms that are used in Exhibit A and not defined therein shall have the respective meanings given to them in Exhibit B.

Agency	Lexipol
Signature: 	Signature: 
Print Name: <u>Stephanie Bridgett</u>	Print Name: <u>Van Holland</u>
Title: <u>District Attorney</u>	Title: <u>Chief Financial Officer</u>
Date Signed: <u>8/2/19</u>	Date Signed: <u>8/13/19</u>

IT Approved:


Thomas Schreiber, CIO

APPROVED AS TO FORM:

Copyright 2019 © Lexipol, LLC 1995-2018 - Rev 6/28/2018


DAVID M. YORTON, JR.
Senior Deputy County Counsel

RISK MANAGEMENT APPROVAL

BY:  08/02/19
James Johnson
Risk Management Analyst

COUNTY OF SHASTA

Date: _____

LEONARD MOTY, Chairman
Board of Supervisors
County of Shasta
State of California

ATTEST:

LAWRENCE G. LEES
Clerk of the Board of Supervisors

By: _____
Deputy

EXHIBIT A**SUBSCRIPTIONS BEING PURCHASED AND SUBSCRIPTION FEES**

Agency is purchasing the following:

Annual Subscription

QTY	DESCRIPTION	UNIT PRICE	DISC	DISC AMT	EXTENDED
1	Annual Law Enforcement Policy Manual & Daily Training Bulletins w/Supplemental Publication Service (12 Months)	USD 8,082.00	50%	USD 4,040.00	USD 4,042.00
	Subscription Line Items Total			USD 4,040.00	USD 4,042.00
1	Law Enforcement Support+ Package (50 Hours)	USD 6,950.00		USD 0.00	USD 6,950.00
1	Law Enforcement Standard Policy Cross-Reference	USD 2,250.00		USD 0.00	USD 2,250.00
	One-Time Line Items Total			USD 0.00	USD 9,200.00
				USD 4,040.00	USD 13,242.00
Annual Subscription Discount:					USD 4,040.00
Annual Subscription TOTAL:					USD 13,242.00

*Law Enforcement pricing is based on 11 Law Enforcement Sworn Officers. Cross Reference Professional Services pricing is based on 200 pages.

Discount Notes

DA Annual Discount

EXHIBIT B

GENERAL TERMS AND CONDITIONS

1. **Definitions.** For purposes of this Agreement, each of the following terms will have the meaning indicated in this Section:

1.1 **Agency's Account.** "***Agency's Account***" means the account by which Agency accesses the Subscription Materials.

1.2 **Agreement.** "***Agreement***" means (a) the cover sheet to which these General Terms and Conditions are attached, (b) Exhibit A (Subscriptions and Services Being Purchased and Related Fees) attached to that cover sheet, (c) these General Terms and Conditions, and (d) Exhibit C (Scope of Services).

1.3 **Initial Term/Contract Year.** "***Initial Term***" means the twelve-month period commencing on the Effective Date and "***Contract Year***" means each twelve-month period commencing on each anniversary of the Effective Date, except as may otherwise be modified by Section 2.1 Term below.

1.4 **Derivative Work.** "***Derivative Work***" means a work that is based on the Subscription Material or any portion thereof, such as a revision, modification, abridgement, condensation, expansion, or any other form in which the Subscription Material or any portion thereof may be recast, transformed, or adapted. For purposes of this Agreement, a Derivative Work also includes any compilation that incorporates any portion of the Subscription Material. Further, "***Derivative Work***" includes any work considered a "derivative work" under United States copyright law.

1.5 **Effective Date.** "***Effective Date***" means the date specified on the cover sheet to which these General Terms and Conditions are attached.

1.6 **Subscription Materials.** "***Subscription Materials***" means the policy manuals, supplemental policy publications, daily training bulletins and other materials provided by Lexipol to Agency from time to time during the term of this Agreement under the subscriptions purchased by Agency as specified in Exhibit A.

2. **Term and Termination.**

2.1 **Term.** This Agreement is effective upon the execution and delivery of this Agreement by both Lexipol and Agency, and shall continue in effect until the expiration of the Initial Term; provided, however, that the term of this Agreement will automatically be extended for successive one-year periods thereafter (each a Contract Year), unless either party gives written notice to the other party to the contrary not less than thirty (30) days prior to the expiration of the Initial Term or the then current Contract Year, as the case may be. Notwithstanding the foregoing, however, this Agreement will be subject to termination as provided in Section 2.2 below.

2.2 **Termination.** This Agreement may be terminated by either party, effective immediately, (a) in the event that the other party fails to discharge any obligation or remedy any default under this Agreement for a period of more than thirty (30) calendar days after it has been given written notice of such failure or default; or (b) in the event that the other party makes an assignment for the benefit of creditors or commences or has commenced against it any proceeding in bankruptcy, insolvency or reorganization pursuant to the bankruptcy laws of any applicable jurisdiction.

2.3 **Effect of Expiration or Termination.** Upon the expiration or termination of this Agreement, all of the rights granted to Agency by this Agreement to the subscriptions identified on Exhibit

A shall automatically terminate. The termination or expiration of this Agreement shall not, however, relieve either party from any obligation or liability that has accrued under this Agreement prior to the date of such termination or expiration. The right to terminate this Agreement pursuant to Section 2.2 above shall be in addition to, and not in lieu of, any other remedy, legal or equitable, to which the terminating party shall be entitled at law or in equity. The provisions of Sections 1 (Definitions), 4 (Copyright; Derivative Works; Lexipol's Ownership), 5 (Right to Use; Limitations on Use of Subscription Material and Derivative Works), 7 (Privacy Policy), 8 (Policy Adoption), 9 (Disclaimer of Liability), 10 (Limitation of Liability), 13 (Miscellaneous), and this Section 2.3 shall survive the expiration or termination of this Agreement for any reason whatsoever.

3. Subscription Fees, Etc.

3.1 Subscription Fee/Invoicing. Lexipol will invoice Agency at the commencement of the Subscription Service (Initial Term) and thirty (30) days prior to the date for each Contract Year (refer to 2.1 above). Agency will pay to Lexipol the subscription fee specified on Exhibit A within thirty (30) days following Agency's receipt of the invoice for such subscription and renewal fees. All invoices will be sent to Agency at the address for Agency specified on the cover sheet to which these General Terms and Conditions are attached. All payments will be made to Lexipol at the address for Lexipol specified on the cover sheet to which these General Terms and Conditions are attached. Lexipol reserves the right to increase pricing for subsequent Contract Years.

3.2 Taxes; Past Due Amounts. All amounts required to be paid under this Agreement, unless otherwise stated on Exhibit A, are exclusive of all taxes and similar fees now in force or enacted in the future imposed on the subscriptions purchased by Agency under this Agreement and/or delivery by Lexipol to Agency of Subscription Material, all of which Agency will be responsible for and will pay in full, except for taxes based on Lexipol's net income. In the event any amount owed by Agency is not paid when due, and such failure is not cured within ten (10) days after written notice thereof from Lexipol, then in addition to any other amount due, Agency shall pay a late payment charge on the overdue amount at a rate equal to the lower of (a) one percent (1%) per month, or (b) the highest rate permitted by applicable law.

4. Copyright; Derivative Works; Lexipol's Ownership. Agency acknowledges and agrees that the Subscription Material is a proprietary product of Lexipol, protected under U.S. copyright law, and that Lexipol reserves all rights not expressly granted in this Agreement. Subject to the terms and conditions contained in this Agreement, Lexipol hereby grants Agency the right to prepare Derivative Works, except as limited by the terms of this agreement; provided, however, that Agency acknowledges and agrees that Lexipol will be the sole owner of all right, title and interest in and to all Derivative Works prepared by or for Agency, including all copyrights and other intellectual property and proprietary rights therein or pertaining thereto, and Agency hereby assigns and transfers to Lexipol all right, title and interest in and to all Derivative Works prepared by or for Agency, including all copyrights and other intellectual property and proprietary rights therein or pertaining thereto. Agency will not remove from any copies of the Subscription Material provided by Lexipol to Agency any copyright notice or other proprietary notice of Lexipol appearing thereon, and shall include such copyright and other notices at the appropriate place on each copy of the Subscription Material and each copy of any Derivative Work made by or for Agency, in any form.

5. Right to Use; Limitations on Use of Subscription Material and Derivative Works. Subject to the terms and conditions contained in this Agreement, Lexipol hereby grants to Agency a perpetual, personal, fully paid-up, right to use, except as limited by the terms of this agreement the Subscription Material and any Derivative Works prepared by or for Agency, solely for the Agency's internal purposes. Agency will not use, copy, republish, lend, distribute, post on servers, transmit, redistribute, display, in whole or in part, by any means or medium, electronic or mechanical, or by any information storage and retrieval system, any Subscription Material or any Derivative Work prepared by or for Agency other than as expressly authorized by the immediately preceding sentence. Without limiting the generality of the foregoing, Agency will not import, upload, or otherwise make available any

Subscription Material or any Derivative Work prepared by or for Agency into or onto any third party knowledge, document, or other content management system or service without Lexipol's prior written consent. The foregoing does not, however, prohibit or restrict Agency from providing Subscription Material or Derivative Works prepared by or for Agency pursuant to an order from a court or other governmental agency or other legal process, or Freedom of Information Act (FOIA) request, or Public Records Act (PRA) request, nor does it prohibit or restrict Agency from displaying the adopted/approved final policy document on a publicly accessible website for official Agency purposes, so long as Agency includes the appropriate copyright and other proprietary notices on such final policy document as required by Section 4 above.

6. **Account Security.** Agency is solely responsible for maintaining the confidentiality of Agency's user name(s) and password(s) and the security of Agency's Account. Agency will not permit access to Agency's Account, or use of Agency's user name(s) and/or password(s) by any person or entity other than authorized Agency personnel. Agency will immediately notify Lexipol in writing if Agency becomes aware that any person or entity other than authorized Agency personnel has used Agency's Account or Agency's user name(s) and/or password(s).

7. **Privacy Policy.** Lexipol will hold all information Agency provides in confidence unless required to provide information in accordance with an order from a court or other governmental agency or other legal process such as a Freedom of Information Act (FOIA) request, or Public Records Act (PRA) request. Lexipol will use commercially reasonable efforts to ensure the security of information provided by Agency. Lexipol's system also uses Secure Socket Layer (SSL) Protocol for browsers supported by Lexipol application(s). SSL encrypts information as it travels between the Agency and Lexipol. However, Agency acknowledges and agrees that Internet data transmission is not always 100% secure and Lexipol does not warrant or guaranty that information Agency transmits utilizing the Lexipol system or online platform is 100% secure.

Agency acknowledges that Lexipol may provide view-only access and summary information (including but not limited to, status of number of policies developed or in development, percentage of staff reviews of developed policies, and percentage of DTBs taken) to the Agency's affiliated Risk Management Authority, Insurance Pool or Group, or Sponsoring Association, if they are actively funding their member Agencies' Subscription Fees.

8. **Policy Adoption.** Agency hereby acknowledges and agrees that any and all policies and Daily Training Bulletins (DTBs) included in the Subscription Material provided by Lexipol have been individually reviewed, customized and adopted by Agency for use by Agency. Agency further acknowledges and agrees that neither Lexipol nor any of its agents, employees or representatives shall be considered "policy makers" in any legal or other sense and that the chief executive of Agency will, for all purposes, be considered the "policy maker" with regard to each and every such policy and DTB.

9. **Disclaimer of Liability.** Agency acknowledges and agrees that Lexipol its officers, agents, managers, and employees will have no liability to Agency or any other person or entity arising from or related to the Subscription Materials, or any act or omission by Agency or its personnel pursuant to, or in reliance on, any of the Subscription Materials.

10. **Limitation of Liability.** Lexipol's cumulative liability to Agency and any other person or entity for any loss or damages resulting from any claims, demands, or actions arising out of or relating to this Agreement or the use of any Subscription Materials shall not exceed the subscription fees actually paid to Lexipol for the use of the Subscription Materials under this Agreement during the twelve-month period immediately prior to the assertion of such claim, demand or action. In no event shall Lexipol be liable for any indirect, incidental, consequential, special, or exemplary damages or lost profits, even if Lexipol has been advised of the possibility of such damages. The limitations set forth in this Section shall apply whether Agency's claim is based on breach of contract, tort, strict liability, product liability or any other theory or cause of action.

11. **Non-Transferability**. The subscriptions and rights to use the Subscription Material granted by this Agreement are personal to Agency and Agency shall not assign or otherwise transfer the same to any other person or entity.

12. **Confidentiality**. From time to time during the term of this Agreement, either party may be required to disclose information to the other party that is marked "confidential" or the like, or that is of such a type that the confidentiality thereof is reasonably apparent ("Confidential Information"). The receiving party will: (a) limit disclosure of any Confidential Information of the other party to the receiving party's directors, officers, employees, agents and other representatives (collectively "Representatives") who have a need to know such Confidential Information in connection with the business relationship between the parties to which this Agreement relates, and only for that purpose; (b) advise its Representatives of the confidential nature of the Confidential Information and of the obligations set forth in this Agreement and require such Representatives to keep the Confidential Information confidential and to use it only as permitted by this Agreement; (c) keep all Confidential Information confidential by using a reasonable degree of care, but not less than the degree of care used by it in safeguarding its own confidential information; and (d) not disclose any Confidential Information received by it to any third party (except as otherwise provided for herein). Notwithstanding the foregoing, however, a party may disclose Confidential Information of the other party pursuant to any governmental, judicial, or administrative order, subpoena, discovery request, regulatory request, or Freedom of Information Act (FOIA) request, or Public Records Act (PRA) request, or similar method, provided that the party proposing to make any such disclosure will promptly notify, to the extent practicable, the other party in writing of such demand for disclosure so that the other party may, at its sole expense, seek to make such disclosure subject to a protective order or other appropriate remedy to preserve the confidentiality of the Confidential Information. Each party shall be responsible for any breach of this Section by any of such party's Representatives.

Miscellaneous.

13.1 **Governing Law**. This Agreement shall be construed in accordance with, and governed by, the laws of the State of California, without giving effect to any choice of law doctrine that would cause the law of any other jurisdiction to apply.

13.2 **Entire Agreement**. This Agreement embodies the entire agreement and understanding of the parties hereto and hereby expressly supersedes any and all prior written and oral agreements and understandings with respect to the subject matter hereof, including without limitation any and all agreements and understandings pertaining to the use of the Subscription Materials by Agency. No representation, promise, inducement, or statement of intention has been made by any party hereto that is not embodied in this Agreement. Terms and conditions set forth in any purchase order, or any other form or document of Agency, which are inconsistent with, or in addition to, the terms and conditions set forth in this Agreement, are hereby objected to and rejected in their entirety, regardless of when received, without further action or notification by Lexipol, and shall not be considered binding on Lexipol unless specifically agreed to in writing by it.

13.3 **Headings**. The captions and other headings contained in this Agreement are for convenience only and shall not be considered a part of or affect the construction and interpretation of any provision of this Agreement.

13.4 **Counterparts**. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same document.

13.5 **Amendment**. No amendment, modification, or supplement to this Agreement shall be binding unless it is in writing and signed by the party sought to be bound thereby.

13.6 **Attorneys' Fees**. If any action is brought by either party to this Agreement against the other party regarding the subject matter hereof, the prevailing party shall be entitled to recover, in addition to any other relief granted, reasonable attorneys' fees and expenses of litigation.

13.7 General Interpretation. The language used in this Agreement shall be deemed to be the language chosen by the parties hereto to express their mutual intent. This Agreement shall be construed without regard to any presumption or rule requiring construction against the party causing such instrument or any portion thereof to be drafted, or in favor of the party receiving a particular benefit under the Agreement. No rule of strict construction will be applied against any person or entity.

13.8 Notices. Any notice required by this Agreement or given in connection with it, shall be in writing and shall be given by personal delivery, by certified mail, postage prepaid, or by recognized overnight delivery service to the appropriate party at the address of such party stated on the cover sheet to which these General Terms and Conditions are attached, or such other address as such party may indicate by a notice delivered to the other party in accordance with the terms of this Section. Alternatively, electronic mail or facsimile notice is acceptable when acknowledged by the receiving party.

13.9 Invalidity of Provisions. Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof. Further, if a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable, then the parties agree that the court should endeavor to give effect to the parties' intention as reflected in such provision to the maximum extent possible.

13.10 Waiver. Lexipol's failure to exercise, or delay in exercising, any right or remedy under any provision of this Agreement shall not constitute a waiver of such right or remedy.

End of General Terms and Conditions

EXHIBIT C

Scope of Services

Policy Manual

Legally defensible, up-to-date policies are the foundation for consistent, safe public safety operations and are key to lowering liability and risk. Lexipol's comprehensive policy manual covers all aspects of your agency's operations.

- More than 155 policies researched and written by public safety attorneys and subject matter experts
- Policies based on State and federal laws and regulations as well as nationwide best practices
- Content customized to reflect your agency's terminology and structure

Daily Training Bulletins (DTBs)

Even the best policy manual lacks effectiveness if it's not backed by training. Lexipol's Daily Training Bulletins are designed to help your personnel learn and apply your agency's policy content through 2-minute training exercises.

- Scenario-based training ties policy to real-world applications
- Understanding and retention of policy content is improved via a singular focus on one distinct aspect of the policy
- Each Daily Training Bulletin concludes with a question that confirms the user understood the training objective
- Daily Training Bulletins can be completed via computers or from smartphones, tablets or other mobile devices
- Reports show completion of Daily Training Bulletins by agency member and topic

Policy Updates

Lexipol's legal and content development teams continuously review state and federal laws and regulations, court decisions and evolving best practices. When needed, we create new and updated policies and provide them to your agency, making it simple and efficient to keep your policy content up to date.

- Updates delivered to you through Lexipol's web-based content delivery platform
- Changes presented in side-by-side comparison against existing policy so you can easily identify modifications/improvements
- Your agency can accept, reject or customize each update

Web-Based Delivery Platform and Mobile App (Knowledge Management System)

Lexipol's online content delivery platform, called KMS, provides secure storage and easy access to all your policy and training content, and our KMS mobile app facilitates staff use of policies and training completion.

- Ability to edit and customize content to reflect your agency's mission and philosophy
- Efficient distribution of policies, updates and training to staff
- Archival and easy retrieval of all versions of your agency's policy manual
- Mobile app provides in-the-field access to policy and training materials

Reports

Lexipol's Knowledge Management System provides intuitive reporting capabilities and easy-to-read reports that enhance command staff meetings and strategic planning.

- Track and report when your personnel have acknowledged policies and policy updates
- Produce reports showing completion of Daily Training Bulletins
- Sort reports by agency member, topic and other subgroups (e.g., shift, assignment)
- Reduce the time your supervisors spend verifying policy acknowledgement and training completion

Supplemental Publication Service

Lexipol's Supplemental Publication Service (SPS) streamlines the storage of your agency's content, giving you one place to access procedures, guidelines, general orders, training guides or secondary policy manuals.

- Electronically links department-specific procedural or supplemental content to your policy manual
- Provides electronic issuance and tracking for your agency's procedural or supplemental content
- Allows you to create Daily Training Bulletins against your procedural content
- Designed for standard operating guidelines, procedures, general orders or field guides

Standard Policy Cross-Reference

Making the transition to Lexipol starts with understanding how your agency's current policy content compares with Lexipol's master policy content. Our Standard Policy Cross-Reference service provides a logical method to distinguishing between the two.

- Analysis of your existing policies and procedures to identify content similar to Lexipol's state specific master content, as well as content unique to your jurisdiction and not covered within the Lexipol manual
- Your existing policies returned with annotations and tips to integrate into the Lexipol master content
- One-on-one review with your agency to discuss the cross-reference report

Support+ Package

Lexipol's Support+ Package provides a discounted, customizable solution for agencies looking for one-on-one policy implementation support. Packages are offered in 50-hour increments with a flexible scope of work and are offered at a discount off Lexipol's standard hourly rate for professional services.

REPORT TO SHASTA COUNTY BOARD OF SUPERVISORS

BOARD MEETING DATE: September 10, 2019

CATEGORY: Consent - Law and Justice-16.

SUBJECT:

Amendment to Memorandum of Understanding with the City of Redding.

DEPARTMENT: District Attorney

Supervisory District No. : ALL

DEPARTMENT CONTACT: Stephanie Bridgett, District Attorney (530) 245-6300

STAFF REPORT APPROVED BY: Stephanie Bridgett, District Attorney

Vote Required?	General Fund Impact?
Simple Majority Vote	No Additional General Fund Impact

RECOMMENDATION

Approve and authorize the Chairman to sign a retroactive amendment to the Community Prosecution Program Memorandum of Understanding with the City of Redding to provide funding in the amount of \$200,000 (\$100,000 from the City of Redding and \$100,000 from the County) and extend the term to June 30, 2020.

SUMMARY

N/A

DISCUSSION

Approving the recommendation will provide funding for a community prosecution program in the District Attorney's Office to address quality-of-life offenses and chronic offenders for a second year. Targeted offenses will include municipal code violations and other misdemeanor offenses.

On October 3, 2017, the Board of Supervisors accepted a donation in the amount of \$225,000 from the Redding Rancheria to allow the District Attorney to hire an additional prosecutor and an additional support staff member to assist in prosecuting quality-of-life crimes. This amendment provides for funding in the amount of \$100,000 from the County and \$100,000 from the City of Redding for the period of July 1, 2019 through June 30, 2020.

ALTERNATIVES

The Board could elect not to amend the MOU.

OTHER AGENCY INVOLVEMENT

County Counsel has approved the amendment as to form. The Recommendation has been reviewed by the County Administrative Office.

FINANCING

The revenue for this amendment is included in the District Attorney's Fiscal Year 2019-20 Adopted Budget. There is no additional General Fund impact associated with this Recommendation.

ATTACHMENTS:

Description	Upload Date	Description
MOU Ammendment	8/29/2019	MOU Ammendment

**FIRST AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING BETWEEN
THE COUNTY OF SHASTA AND THE CITY OF REDDING FOR
THE COMMUNITY PROSECUTOR PROGRAM**

This First Amendment is entered into between the County of Shasta ("COUNTY"), a political subdivision of the State of California, and the City of Redding ("CITY"), a municipal Corporation.

RECITALS

WHEREAS, COUNTY, by and through the Shasta County District Attorney's Office (DISTRICT ATTORNEY), and CITY have previously entered into a Memorandum of Understanding effective February 7, 2018, in order to fund and operate the Community Prosecutor Program; and

WHEREAS, the Memorandum of Understanding provided that it shall remain in effect through June 30, 2019; and

WHEREAS, the Memorandum of Understanding further provided that it may be extended for one year by mutual written agreement by CITY and COUNTY; and

WHEREAS, the Memorandum of Understanding further provided that any such extension shall be contingent upon the DISTRICT ATTORNEY receiving funding in the amount of \$100,000 from the CITY and \$100,000 from the COUNTY for the Community Prosecutor Program.

NOW, THEREFORE, the COUNTY and CITY agree as follows:

I. Pursuant to Section (B)(2) of the Memorandum of Understanding, the COUNTY and CITY mutually agree to extend the term of the Memorandum of Understanding through June 30, 2020. This extension is made retroactive to July 1, 2019.

II. In exercising this extension, the COUNTY and CITY agree to provide funding to the DISTRICT ATTORNEY in the amount of \$100,000 from the CITY and \$100,000 from the COUNTY for the Community Prosecutor Program.

III. REAFFIRMATION

In all other respects, the Memorandum of Understanding, as amended by this First Amendment, and any attachments, remains in full force and effect.

IV. ENTIRE AGREEMENT

The Memorandum of Understanding, as amended by this First Amendment, and any attachments, constitute the entire understanding between COUNTY and CITY.

C-7555

V. **EFFECTIVE DATE**

This First Amendment shall be deemed effective as July 1, 2019.

IN WITNESS WHEREOF, the Parties hereto have executed this First Amendment to the Memorandum of Understanding. By their signatures below, each signatory represents that he/she has the authority to execute this First Amendment and to bind the Party on whose behalf his/her execution is made.

COUNTY OF SHASTA

Date: _____

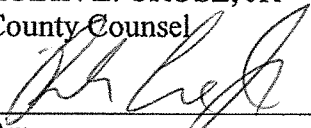
LEONARD MOTY, CHAIRMAN
Board of Supervisors
County of Shasta
State of California

ATTEST:

LAWRENCE G. LEES
Clerk of the Board of Supervisors

By: _____
Deputy

Approved as to form:
RUBIN E. CRUSE, JR
County Counsel

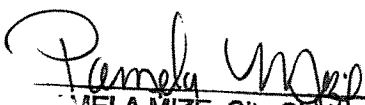
 8/2/19
By: _____

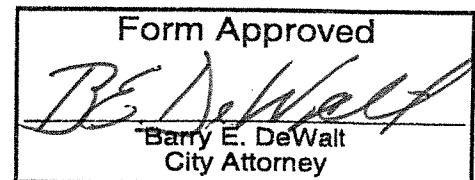
CITY OF REDDING

Date: 8-2-19


BARRY TIPPIN, CITY MANAGER

ATTEST:


PAMELA MIZE, City Clerk



REPORT TO SHASTA COUNTY BOARD OF SUPERVISORS

BOARD MEETING DATE: September 10, 2019

CATEGORY: Consent - Public Works-17.

SUBJECT:

Roads Budget Amendment

DEPARTMENT: Public Works

Supervisory District No. : All

DEPARTMENT CONTACT: Pat Minturn, Public Works Director, (530) 225-5661

STAFF REPORT APPROVED BY: Pat Minturn, Public Works Director

Vote Required?	General Fund Impact?
4/5 Vote	No General Fund Impact

RECOMMENDATION

Approve a budget amendment decreasing appropriations in the amount of \$2,285,000 within the Roads budget.

SUMMARY

A budget amendment is proposed to decrease appropriations in Roads.

DISCUSSION

Road construction projects often span two fiscal years and appropriations are budgeted accordingly. Some duplication is inevitable to ensure project continuity. Much of this summer's construction was completed in the prior fiscal year so less budget authority is necessary in Fiscal Year 2019/20. The reduction in budgeted appropriations will increase available fund balance. Fund balance is necessary to budget the appropriations approved by the Board on August 13, 2019. Staff recommends a budget amendment reducing appropriations in the Roads budget in Fiscal Year 2019/20.

ALTERNATIVES

The Board may decline to approve the budget amendment. Budget authority will remain elevated.

OTHER AGENCY INVOLVEMENT

The Auditor-Controller will process the budget amendment upon Board approval. The County Administrative Office has reviewed this recommendation.

FINANCING

Sufficient resources to complete ongoing projects have been included in the Adopted FY 2019/20 Roads budget. There is no General Fund Impact.

ATTACHMENTS:

Description	Upload Date	Description
Roads Budget Amendment Memo	8/15/2019	Roads Budget Amendment Memo

**COUNTY
OF
SHASTA**

DEPARTMENT OF PUBLIC WORKS

Pat Minturn, Director

MEMORANDUM

DATE August 14, 2019

FAF 020004

TO Brian Muir, Auditor-Controller

FROM Pat Minturn, Director



SUBJECT Budget Amendment for Roads

A budget amendment is requested in the Roads Budget Unit 30100. The purpose of this budget amendment is to decrease appropriations by \$2,285,000.

After preparing the budget transfer document, would you please forward it to the CAO's office for approval. It is our intention to present this to the Board of Supervisors for approval on September 10, 2019. Thank you for your assistance in this matter.

PJM/kdc

Attachment

email: Jenn Duval, CAO Administrative Analyst

County of Shasta

Budget AmendmentRoads

DEPARTMENT NAME

APPROPRIATIONS

INCREASE <DECREASE>

COST CENTER	ACCOUNT	ACCOUNT DESCRIPTION	BUDGET READS	BUDGET SHOULD READ	AMOUNT OF TRANSFER (+/-)
30100	034844	Prof Road Constr & Maint Svs	14,285,000	12,000,000	(2,285,000)
					-
					-
					-
					-
					-
					-
					-
TOTAL					(2,285,000)

REVENUE

INCREASE <DECREASE>

COST CENTER	ACCOUNT	ACCOUNT DESCRIPTION	BUDGET READS	BUDGET SHOULD READ	AMOUNT OF TRANSFER (+/-)
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
TOTAL					-

REPORT TO SHASTA COUNTY BOARD OF SUPERVISORS

BOARD MEETING DATE: September 10, 2019

CATEGORY: Consent - Public Works-18.

SUBJECT:

Olinda Road Widening – Notice of Completion

DEPARTMENT: Public Works

Supervisory District No. : 2

DEPARTMENT CONTACT: Pat Minturn, Public Works Director, (530) 225-5661

STAFF REPORT APPROVED BY: Pat Minturn, Public Works Director

Vote Required?	General Fund Impact?
Simple Majority Vote	No General Fund Impact

RECOMMENDATION

Approve and authorize the Public Works Director to sign a Notice of Completion for the “Olinda Road Cycle 5 Widening Project,” Contract No. 702977, and record it within 15 days of actual completion.

SUMMARY

The Olinda Road Cycle 5 Widening Project is nearing completion.

DISCUSSION

On June 4, 2019, Darren Taylor Construction, Inc. was awarded the contract for construction on the Olinda Road Cycle 5 Widening Project. The project in general consists of widening the shoulders along Olinda Road, reconstructing existing driveways, traffic striping, and drainage improvements. The work is substantially complete.

ALTERNATIVES

The Board may decline to authorize the filing of a Notice of Completion. The lien period would extend for 90 days instead of 30 days. Final payment to the contractor would be delayed by 60 days.

OTHER AGENCY INVOLVEMENT

This recommendation has been reviewed by the County Administrative Office.

FINANCING

The total cost of the project is estimated to be \$1,322,000. Federal funds will cover 60% and state funds will cover 17% of the costs. County Road funds will cover the remaining portion. Adequate funds have been included in the Adopted Fiscal Year 2019/20 Roads budget. There is no General Fund impact.

REPORT TO SHASTA COUNTY BOARD OF SUPERVISORS

BOARD MEETING DATE: September 10, 2019

CATEGORY: Consent - Public Works-19.

SUBJECT:

Creek Fire Guardrail Repair – Notice of Completion

DEPARTMENT: Public Works

Supervisory District No. : 2

DEPARTMENT CONTACT: Pat Minturn, Public Works Director, (530) 225-5661

STAFF REPORT APPROVED BY: Pat Minturn, Public Works Director

Vote Required?	General Fund Impact?
Simple Majority Vote	No General Fund Impact

RECOMMENDATION

Approve and authorize the Public Works Director to sign a Notice of Completion for the “Guardrail Repair (Creek Fire) Project,” Contract No. 704045, and record it within 15 days of actual completion.

SUMMARY

Repair of County guardrail damaged in the Creek Fire is nearing completion.

DISCUSSION

The Creek Fire destroyed over a mile of guardrail along Clear Creek Road. On July 16, 2019, the Board awarded the construction contract to Apex Fence Company, Inc. The work is substantially complete.

ALTERNATIVES

The Board may decline to authorize the filing of a Notice of Completion. The lien period would extend for 90 days instead of 30 days. Final payment to the contractor would be delayed by 60 days.

OTHER AGENCY INVOLVEMENT

This recommendation has been reviewed by the County Administrative Office.

FINANCING

The total cost of this project is estimated to be \$187,504. CalOES will cover 75% of the cost. Adequate funds have been included in the Adopted FY 2019/20 Road Fund budget. There is no General Fund impact.

REPORT TO SHASTA COUNTY BOARD OF SUPERVISORS

BOARD MEETING DATE: September 10, 2019

CATEGORY: Consent - Public Works-20.

SUBJECT:

CSA 17-Cottonwood Wastewater Treatment Plant Improvements – Award Construction Contract

DEPARTMENT: Public Works

County Service Area No. 17-Cottonwood

Supervisory District No. : 5

DEPARTMENT CONTACT: Pat Minturn, Public Works Director, (530) 225-5661

STAFF REPORT APPROVED BY: Pat Minturn, Public Works Director

Vote Required?	General Fund Impact?
Simple Majority Vote	General Fund Impact

RECOMMENDATION

On behalf of County Service Area (CSA) 17-Cottonwood Sewer, take the following actions: (1) Award to the lowest responsive and responsible bidder, Gateway Pacific Contractors, Inc., on a unit cost basis for the base bid, the contract for construction of the “Wastewater Treatment Plant Improvement Project,” Contract No. 610498, in the amount of \$4,758,782; and (2) adopt a resolution which authorizes the General Fund to fund project expenditures when the CSA No. 17-Cottonwood Sewer Admin Fund is in a negative cash position pursuant to Government Code Section 25214.3.

SUMMARY

On August 15, 2019, bids were opened for the Wastewater Treatment Plant (WWTP) Improvement project. It is recommended that the Board award the contract to the low bidder, Gateway Pacific Contractors, Inc.

DISCUSSION

On June 25, 2019, the Board approved the plans and specifications and authorized the Public Works Director to advertise for bids for the construction of the WWTP Improvements. Five bids for this contract were received and opened on August 15, 2019. The apparent low bidder (base bid) is Gateway Pacific Contractors, Inc.

This contract has been awarded subject to Public Contract Code Section 20103.8. The bid solicitation clearly stated the contract would be awarded to the lowest responsive and responsible bidder for the base bid. The lowest base bid is \$4,185,929. The solicitation requested additive alternates. The base bid was less than the initial budget estimate and after the bid opening, the State made more grant money available. The low bid plus additional grant allows the project to add a much needed second sand filter system. This alternate will bring the total award to \$4,758,782.

The Cottonwood Wastewater Treatment Plant was constructed in 1986. Upgrades are proposed to comply with water quality standards. PACE Engineering, Inc. has designed the proposed improvements and will provide construction administration services. ENPLAN has provided environmental services and will continue to do so during the construction phase.

ALTERNATIVES

The Board may decline to proceed with the project at this time. Grant funding would be forfeited. Future fines would ensue.

OTHER AGENCY INVOLVEMENT

The CSA is subject to Waste Discharge Requirements from the Regional Water Quality Control Board. County Counsel has approved the contract documents as to form. Risk Management has reviewed and approved the contract documents. The recommendation has been reviewed by the County Administrative Office.

FINANCING

The State Water Resources Control Board (State) has approved initial funding for the project through the State Revolving Fund of \$5,897,000 (\$4,422,750 grant and \$1,474,250 loan). After contract award and final budget approval, the State will increase the grant amount to \$4,813,691. The loan repayment term is 30 years at 1.80% interest rate. The estimated total cost for the base bid is \$5,937,000 including engineering and contingencies. The CSA fund will experience periods of negative cash while awaiting reimbursement and negative interest will accrue in the interim. The loan will be repaid through the existing CSA rate structure. There is General Fund impact with this action.

ATTACHMENTS:

Description	Upload Date	Description
Recommendation of Award	8/26/2019	Recommendation of Award
CSA 17 Negative Cash FY 19-20 Resolution	8/28/2019	CSA 17 Negative Cash FY 19-20 Resolution



August 21, 2019

199.100

Moises Lozano, Associate Engineer
Shasta County Department of Public Works
1855 Placer Street
Redding, CA 96001

Subject: RECOMMENDATION OF AWARD
Shasta County Service Area No. 17 Cottonwood
Wastewater Treatment Plant Improvement Project

The Bid opening for the subject project was held on August 15, 2019. PACE Engineering, Inc. (PACE) has reviewed the Bids received, and enclosed is the Bid Summary and Analysis.

The low Bidder on the project was Gateway Pacific Contractors, Inc., with a total base Bid amount of \$4,185,929.00. PACE has examined the Low Bidder's Proposal and finds it to be correct and acceptable. It is understood Shasta County would like to include Additive Alternatives A1 and A2 in the Contract. Therefore, it is recommended that Shasta County award the Contract to Gateway Pacific Contractors, Inc., for a total contract amount of \$4,758,782, contingent upon approval from the State Water Resources Control Board.

Once PACE is notified that the Contract has been awarded, a Notice of Award will be sent to the Contractor, together with Agreement and Bond forms. Instructions will be included for the Contractor to sign and complete the necessary documents and return them to PACE for review. PACE will then forward them to Shasta County for signature, which will constitute execution of the Contract.

Sincerely,

Laurie McCollum
Project Engineer

Enclosures

c: Francine Fua, SWRCB, FrancineAnne.Fua@waterboards.ca.gov
Troy Bartolomei, Shasta County, tbartolomei@co.shasta.ca.us

M:\Jobs\0199\0199.100 CSA 17 Cottonwood WWTP Improvement Project\Phase 200 Services During Bidding\Word\Recommendation of Award - Ltr.docx

BID SUMMARY AND ANALYSIS SHASTA COUNTY DEPARTMENT OF PUBLIC WORKS COUNTY SERVICE AREA NO. 17 COTTONWOOD WASTEWATER TREATMENT PLANT IMPROVEMENT PROJECT									PACE ENGINEERING PROJECT NO. 199.100 BID DATE 08/15/19
				<i>Engineer's Estimate</i>	Gateway Pacific Contractors, Inc.	Cushman Contracting Corporation	MDS Engineering & Construction, Inc.	RTA Construction Inc.	SnL Group Inc.
No.	Item	Qty	Units	Bid Price	Bid Price	Bid Price	Bid Price	Bid Price	Bid Price
1	Permits, submittals, SWPPP, Confined Space Entry Program, and Dewatering and Bypass Pumping Plans as needed, complete, for the lump-sum price of	1	LS	\$	\$ 30,000.00	\$ 554,900.00	\$ 43,430.00	\$ 35,000.00	\$ 410,182.00
2	Installation of biological selector structure, mixers, piping and associated appurtenances, complete, for the lump-sum price of	1	LS	\$	\$ 700,000.00	\$ 638,710.00	\$ 1,474,900.00	\$ 880,000.00	\$ 1,008,994.00
3	Replacement of oxidation ditch aerators and motors and associated appurtenances, complete, for the lump-sum price of	1	LS	\$	\$ 200,000.00	\$ 185,450.00	\$ 264,102.00	\$ 235,000.00	\$ 233,964.00
4	Replacement of secondary clarifier drives, complete, for the lump-sum price of	1	LS	\$	\$ 250,000.00	\$ 90,940.00	\$ 395,752.00	\$ 275,000.00	\$ 117,379.00
5	Replacement of secondary clarifier existing weirs and baffles, complete, for the lump-sum price of	1	LS		\$ 25,000.00	\$ 58,450.00	\$ 58,097.00	\$ 40,000.00	\$ 86,334.00
6	Installation of secondary clarifiers density current baffles, complete, for the lump-sum price of	1	LS	\$	\$ 25,000.00	\$ 20,160.00	\$ 59,799.00	\$ 32,000.00	\$ 57,164.00
7	Sandblast and recoat secondary clarifier mechanical internals, complete, for the lump-sum price of	1	LS	\$	\$ 190,000.00	\$ 207,900.00	\$ 229,982.00	\$ 100,000.00	\$ 220,531.00
8	Purchase 10 centrifugal wastewater pumps and services supplied by Thomas and Associates	1	LS	\$ 89,129.00	\$ 89,129.00	\$ 89,129.00	\$ 89,129.00	\$ 89,129.00	\$ 89,129.00
9	Markup of Item 8 above and all improvements associated, including structural, mechanical, and electrical, complete, for the lump-sum price of	1	LS	\$	\$ 150,000.00	\$ 441,880.00	\$ 344,256.00	\$ 180,000.00	\$ 122,681.00
10	Replacement of blower and associated appurtenances, complete, for the lump-sum price of	1	LS	\$	\$ 50,000.00	\$ 15,000.00	\$ 27,022.00	\$ 30,000.00	\$ 25,637.00
11	Purchase one new traveling bridge filter and services supplied by Evoqua Water Technologies	1	LS	\$ 268,750.00	\$ 268,750.00	\$ 268,750.00	\$ 268,750.00	\$ 268,750.00	\$ 268,750.00
12	Markup on Item No. 11 above and all improvements associated with the new filter structure, mechanical, and electrical, complete, for the lump-sum price of	1	LS		\$ 807,615.00	\$ 705,300.00	\$ 647,676.00	\$ 380,000.00	\$ 453,162.00
13	Modifications to headworks concrete and Splitter Box Nos. 2, 5, and 9 and associated appurtenances, complete, for the lump-sum price of	1	LS	\$	\$ 50,000.00	\$ 29,700.00	\$ 309,450.00	\$ 90,000.00	\$ 265,274.00
14	Replacement of chlorine contact basin slide gates and associated appurtenances, complete, for the lump-sum price of	1	LS	\$	\$ 100,000.00	\$ 122,380.00	\$ 198,241.00	\$ 210,000.00	\$ 53,027.00
15	Replacement of No. 2 water pumps and associated appurtenances, complete, for the lump-sum price of	1	LS	\$	\$ 100,000.00	\$ 75,650.00	\$ 202,095.00	\$ 130,000.00	\$ 81,017.00
16	Replacement of 10 HP sludge storage basin surface aerator, motor, and associated appurtenances, complete, for the lump-sum price of	1	LS	\$	\$ 20,000.00	\$ 17,850.00	\$ 27,372.00	\$ 55,000.00	\$ 52,937.00
17	Replacement of emergency generator and automatic transfer switch and associated appurtenances, complete, for the lump-sum price of	1	LS	\$	\$ 200,000.00	\$ 184,760.00	\$ 176,272.00	\$ 225,000.00	\$ 112,399.00
18	Purchase SCADA by Wonderware	1	LS	\$ 10,435.00	\$ 10,435.00	\$ 10,435.00	\$ 10,435.00	\$ 10,435.00	\$ 10,435.00
19	Installation of site electrical and controls, stated in Item 18 above, and alarms and associated appurtenances (not including generator and transfer switch in Item No. 17), complete, for the lump-sum price of	1	LS	\$	\$ 900,000.00	\$ 445,000.00	\$ 684,869.00	\$ 710,000.00	\$ 1,033,544.00
20	Site improvements including drainage, AB, trench patch, and curb replacement, complete, for the lump-sum price of	1	LS	\$	\$ 15,000.00	\$ 127,650.00	\$ 171,543.00	\$ 386,000.00	\$ 77,404.00
21	Trench sheeting, shoring, and bracing, complete, for the lump-sum price of	1	LS	\$	\$ 5,000.00	\$ 2,000.00	\$ 8,022.00	\$ 2,000.00	\$ 30,721.00
Total of all Bid Prices (Items 1-21):					\$ 4,185,929.00	\$ 4,291,994.00	\$ 5,691,194.00	\$ 4,363,314.00	\$ 4,810,665.00
Add Alt No.	Item	Qty	Units	Bid Price	Bid Price	Bid Price	Bid Price	Bid Price	Bid Price
A1	Purchase second traveling bridge filter and services supplied by Evoqua Water Technologies	1	LS	\$ 268,750.00	\$ 268,750.00	\$ 268,750.00	\$ 268,750.00	\$ 268,750.00	\$ 268,750.00
A2	Markup of Item A1 above and rehabilitation of existing traveling bridge filter and associated appurtenances, complete, for the lump-sum price of	1	LS	\$	\$ 304,103.00	\$ 260,800.00	\$ 351,602.00	\$ 100,000.00	\$ 107,377.00
B	Cost increase for complete replacement of secondary clarifiers' mechanical internals with optimized components rather than recoating of existing as included in Item No. 7 above, complete, for the lump-sum price of	1	LS	\$	\$ 732,453.00	\$ 608,830.00	\$ 752,227.00	\$ 125,000.00	\$ 181,868.00
C	Cost increase for complete AC pavement at project end rather than just trench patch as included in Item No. 20 above, for the lump-sum price of	1	LS	\$	\$ 470,473.00	\$ 293,920.00	\$ 388,687.00	\$ 180,000.00	\$ 216,542.00
D	Drain, clean, and dispose of debris in both oxidation ditches, complete, for the lump-sum price of	1	LS	\$	\$ 172,446.00	\$ 80,610.00	\$ 183,930.00	\$ 23,000.00	\$ 128,143.00
E	Replace headworks grinder, auger, and motor controller, in part, as described in Section 462436 – Modular Grinding, Screening, and Compacting Equipment, for the lump-sum price of	1	LS	\$	\$ 292,091.00	\$ 100,740.00	\$ 152,297.00	\$ 87,500.00	\$ 158,460.00

BID ANALYSIS	BIDDERS		
	Gateway Pacific Contractors, Inc.	Cushman Contracting Corporation	RTA Construction Inc.
Addendums Acknowledged	3/3	3/3	3/3
State Contractor License No.	A 517988	A 689962	A 862067
DIR License No.	1000000364	1000004083	1000002349
NonCollusion Affidavit	✓	✓	✓
Bid Bond (10% of Bid)	✓	✓	✓
Power of Attorney	✓	✓	✓
Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion	✓	✓	✓
Certification of Non-Segregated Facilities	✓	✓	✓
Certification for Contracts, Grants and Loans	✓	✓	✓
Drug-Free Workplace Certification	✓	✓	✓
Certification Regarding Workers Compensation	✓	✓	✓
List of Subcontractors	✓	✓	✓
Information Required of Bidder	✓	✓	✓
Good Faith Efforts	✓	✓	✓
Bid Written	\$4,185,929.00	\$4,291,994.00	\$4,363,314.00
Bid Actual Totals	\$4,185,929.00	\$4,291,994.00	\$4,363,314.00

RESOLUTION NO. 2019-

**RESOLUTION OF THE BOARD OF SUPERVISORS
OF THE COUNTY OF SHASTA
APPROVING TEMPORARY LOANS FROM THE COUNTY GENERAL FUND TO THE
COUNTY SERVICE AREA NO. 17 COTTONWOOD SEWER FUND DURING PERIODS OF
NEGATIVE CASH FOR THE WASTEWATER TREATMENT PLANT IMPROVEMENT
PROJECT IN FISCAL YEAR 2019-20**

WHEREAS, the Wastewater Treatment Improvement Project is planned to improve the plant for County Service Area (CSA) No. 17-Cottonwood Sewer; and

WHEREAS, the County has been approved for a grant and loan from the State Water Resources Control Board for improvements to CSA No. 17-Cottonwood Sewer; and

WHEREAS, the CSA will receive funds on a reimbursement basis, and the CSA fund may experience periods of negative cash during Fiscal Year 2019-20; and

WHEREAS, the County of Shasta General Fund currently had sufficient cash balance to fund short-term financing loans; and

WHEREAS, the CSA will have sufficient funds within Fiscal Year 2019-20 to repay the loans after they receive reimbursement from the State Water Resources Control Board.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of the County of Shasta hereby authorizes the County Auditor to advance funds from the General Fund to the CSA No. 17 Cottonwood Sewer Fund pursuant to Government Code Section 25214.3, provided that the County Auditor determines that advances will be repaid with reimbursement funds within Fiscal Year 2019-20 and that there will be no significant impact to the County's daily operations.

DULY PASSED AND ADOPTED this 10th day of September, 2019 by the Board of Supervisors of the County of Shasta by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSE:

LEONARD MOTY, CHAIRMAN
Board of Supervisors
County of Shasta
State of California

ATTEST:

LAWRENCE G. LEES
Clerk of the Board of Supervisors

By _____
Deputy

REPORT TO SHASTA COUNTY BOARD OF SUPERVISORS

BOARD MEETING DATE: September 10, 2019

CATEGORY: Scheduled Hearings - General Government-3.

SUBJECT:

Public Safety Special Tax

DEPARTMENT: County Counsel

Supervisory District No. : ALL

DEPARTMENT CONTACT: Rubin E. Cruse, Jr., County Counsel (530) 225-5711

STAFF REPORT APPROVED BY: Rubin E. Cruse, Jr., County Counsel

Vote Required?	General Fund Impact?
2/3 Vote	General Fund Impact

RECOMMENDATION

Take the following actions regarding a Special Public Safety Transactions and Use Tax: (1) Receive an update from the County Counsel regarding a special transactions and use tax to support public safety purposes; (2) open the public hearing; (3) close the public hearing; (4) introduce, waive the reading, and enact an ordinance (the “Ordinance”) to adopt a special transactions and use tax in an amount not to exceed one percent (1%) to be used for funding public safety purposes in the unincorporated and incorporated areas of the County of Shasta, to be effective upon approval by a two-thirds vote of the qualified electors casting votes; (5) adopt a resolution (the “Resolution”) which: (a) calls for an election and placing the Ordinance on the ballot for the March 3, 2020 Primary Election for the purpose of enabling voters to approve or reject the Ordinance; and (b) provides additional direction and instruction related to the conduct of the election; and (6) find that the Ordinance and Resolution are not subject to the California Environmental Quality Act for the reasons stated in the Ordinance and Resolution.

SUMMARY

N/A

DISCUSSION

Pursuant to the direction of the Board of Supervisors on August 13, 2019, the following are provided for the Board’s consideration:

1. An Ordinance to adopt a special transactions and use tax in an amount not to exceed one percent (1%) to be used for funding public safety purposes in the unincorporated and incorporated areas of the County.
2. A resolution calling an election and placing the Ordinance on the ballot for the March 3, 2020 Primary Election. The Ordinance would not go into effect unless it is approved by a two-thirds vote of the qualified electors casting votes in the entire County.

1. The Ordinance

The provisions of the Ordinance are the same as the proposed Ordinance that was submitted to the Board on August 13, 2019, with the following revisions:

1. The costs incurred for the annual third party audit are now included with the other administrative costs that are paid first, prior to any allocations being made under the Expenditure Plan. This is highlighted under Section 3.14.150(B)(3) of the Ordinance.
2. The 0.6% allocation that was previously identified for the annual third party audit has now been allocated to the Probation Department. The Probation Department's percentage allocation is now 2.57% of revenue received from the tax. See Section 3.14.150(C)(5)(c)(iii) of the Ordinance.
3. While the Board of Supervisors may by unanimous vote modify the percentage allocation for the City of Redding Program Category, the percentage allocation shall not be reduced below 14% of revenue received. This "floor" was requested by the City of Redding. A similar floor was also established for the Board's ability to modify by unanimous vote the percentage allocations for the City of Anderson Program Category and the City of Shasta Lake Program Category. Their percentage allocations shall not be reduced below 1.56% of revenue received. See Section 3.14.150(C)(2)(a) of the Ordinance.
4. The Board of Supervisors may require any and all recipients of the revenue from the special tax to make written reports to the Board of Supervisors providing in detail the proposed and actual expenditures by the recipient in a manner as established by resolution of the Board of Supervisors. See Section 3.14.150(C)(4) of the Ordinance.
5. The Program Category for Jail Inmate Programs and Health Care specifically includes, but is not limited to, medication assisted treatment, training, and rehabilitative programs.
6. The Public Safety Program Categories for the Unincorporated County, the City of Redding, the City of Anderson, and the City of Shasta Lake, now all include language for the provision of law enforcement, police protection, and emergency services, "by contract or otherwise."
7. The Department of Tax and Fee Administration had a minor suggested revision concerning the definition of a "retailer engaged in business in this County." See Section 3.14.090(B) of the Ordinance.

2. The Resolution

The Resolution calls for the election and places the Ordinance on the ballot for the March 3, 2020 Primary Election. In accordance with Elections Code section 13119, the measure is proposed to be placed on the ballot in the following form:

Shall Measure ____ (the Shasta County Public Safety Transactions and Use Tax Ordinance) be adopted?

To provide approximately \$31,000,000 annually for the specific public safety purposes of (1) providing funding for County jail facilities, operations, programs, and services, including alternatives to County jail incarceration, (2) providing funding for law enforcement and emergency services (including fire protection) in the unincorporated area of Shasta County and in the Cities of Redding, Anderson, and Shasta Lake, (3) providing funding for criminal prosecutions by the District Attorney, for criminal defense by the Public Defender and Conflict Public Defender, and for the duties of Probation as they relate to adult offenders, the measure allows the County of Shasta to enact a one percent (1%) transactions and use tax throughout the entire county. The measure creates an Oversight Committee and an annual audit requirement detailing how the funds have been spent. The tax shall not be used to supplant other funding for the identified specific public safety purposes. The tax will be in effect until reduced or repealed by the Board of Supervisors by a 4/5 vote.

Pursuant to Elections Code section 9160, the resolution calls for an impartial analysis to be prepared by the County Counsel. It also calls for the Auditor-Controller to review the Ordinance and determine whether its substance, if adopted, would affect the revenues or expenditures of the County and prepare a fiscal impact statement which estimates the amount of any increase

or decrease in revenues or costs to the County if the Ordinance is adopted. Both the County Counsel’s impartial analysis and the Auditor-Controller’s fiscal impact statement will be included in the official ballot materials.

The resolution provides that the entire text of the Ordinance will not be printed in the voter information section of the sample ballot, but that it will be available at the Elections Office and may also be accessed on the Elections’ Office website.

3. California Environmental Quality Act

Pursuant to California Environmental Quality Act (CEQA) Guidelines sections 15060(c)(2) and 15378(b)(2) and (4), adoption of the Resolution, Ordinance and Expenditure Plan will not result in a direct or reasonably foreseeable indirect physical change in the environment and is not a “project” subject to the requirements of CEQA. Prior to the commencement of any project included in the Expenditure Plan, any necessary environmental review required by CEQA shall be completed. Estimated costs in the Expenditure Plan include the cost of such environmental review.

ALTERNATIVES

The Board may decline to proceed with the proposed transactions and use tax ordinance. The Board may also modify provisions of the proposed ordinance.

OTHER AGENCY INVOLVEMENT

The State Department of Tax and Fee Administration provided input on the ordinance. Input was also provided by the ad hoc advisory committee for the proposed special transactions and use tax, the Auditor-Controller, the County Clerk/Registrar of Voters, and the County Executive Officer.

FINANCING

Additional cost will require the General Fund to contribute in order to accommodate the Public Safety Tax being added to the March 2020 Election. More information regarding the General Fund impact will be obtained after December 2019.

ATTACHMENTS:

Description	Upload Date	Description
Special Sales Tax (REDLINE)	9/5/2019	Special Sales Tax (REDLINE)
Special Sales Tax (FINAL)	9/5/2019	Special Sales Tax (FINAL)
Resolution Calling Election	9/5/2019	Resolution Calling Election

ORDINANCE NO. SCC 2019 - _____

**AN ORDINANCE OF THE BOARD OF SUPERVISORS OF THE COUNTY OF
SHASTA ENACTING CHAPTER 3.14 OF THE SHASTA COUNTY CODE
IMPOSING A ONE PERCENT TRANSACTIONS AND USE TAX TO BE
ADMINISTERED BY THE CALIFORNIA DEPARTMENT OF TAX AND FEE
ADMINISTRATION FOR CERTAIN PUBLIC SAFETY PURPOSES**

The Board of Supervisors of the County of Shasta ordains as follows:

SECTION I.

Chapter 3.14 is added to the Shasta County Code as follows:

Chapter 3.14

TRANSACTIONS AND USE TAX FOR PUBLIC SAFETY

Sections:

3.14.010	Title
3.14.020	Operative Date
3.14.030	Purpose
3.14.040	Contract with State
3.14.050	Transactions Tax Rate
3.14.060	Place of Sale
3.14.070	Use Tax Rate
3.14.080	Adoption of Provisions of State Law
3.14.090	Limitations on Adoption of State Law and Collection of Use Taxes
3.14.100	Permit Not Required
3.14.110	Exemptions and Exclusions
3.14.120	Amendments to State Law
3.14.130	Enjoining Collection Forbidden
3.14.140	Severability
3.14.150	Special Tax; Expenditure Plan
3.14.160	Oversight Committee
3.14.170	Special Tax; Annual Report
3.14.180	Effective Date
3.14.190	Reduction of Tax; Termination of Tax
3.14.200	Relationship to Existing Tax
3.14.210	Increase of the Appropriations Limit
3.14.220	Compliance with the California Environmental Quality Act

3.14.010 Title.

This ordinance shall be known as the Shasta County Public Safety Transactions and Use Tax Ordinance. The County of Shasta hereinafter shall be called "County." This ordinance shall be applicable in the incorporated and unincorporated territory of the County.

3.14.020 Operative Date.

"Operative Date" means the first day of the first calendar quarter commencing more than 110 days after March 3, 2020.

3.14.030. Purpose.

This ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

- A. To impose a special retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 7285.5 of Part 1.7 of Division 2 which authorizes the County to adopt this tax ordinance which shall be operative if a two-thirds (2/3) majority of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose. The election shall be held on March 3, 2020.
- B. To adopt a special retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.
- C. To adopt a special retail transactions and use tax ordinance that imposes a tax and provides a measure therefor that can be administered and collected by the California Department of Tax and Fee Administration in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the California Department of Tax and Fee Administration in administering and collecting the California State Sales and Use Taxes.
- D. To adopt a special retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this ordinance.

3.14.040 Contract with State.

- A. Prior to the operative date, the County shall contract with the California Department of Tax and Fee Administration to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the County shall not have contracted with the California Department of Tax and Fee Administration prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.
- B. Payment for the costs of contracting with the California Department of Tax and Fee Administration for administration of the tax shall be the responsibility of the County. If the election is successful, the County shall be reimbursed for any fee charged by the California Department of Tax and Fee Administration from the proceeds of the special tax.

3.14.050 Transactions Tax Rate.

For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated and unincorporated territory of the County at the rate of one percent (1%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this ordinance.

3.14.060 Place of Sale.

For the purposes of this ordinance, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the California Department of Tax and Fee Administration.

3.14.070 Use Tax Rate.

An excise tax is hereby imposed on the storage, use or other consumption in the County of tangible personal property purchased from any retailer on and after the operative date of this ordinance for storage, use or other consumption in said territory at the rate of one percent (1%) of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

3.14.080 Adoption of Provisions of State Law.

Except as otherwise provided in this ordinance and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this ordinance as though fully set forth herein.

3.14.090 Limitations on Adoption of State Law and Collection of Use Taxes.

In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

- A. Wherever the State of California is named or referred to as the taxing agency, the name of this County shall be substituted therefor. However, the substitution shall not be made when:
 - 1. The word "State" is used as a part of the title of the State Controller, State Treasurer, State Treasury, or the Constitution of the State of California;
 - 2. The result of that substitution would require action to be taken by or against this County or any agency, officer, or employee thereof rather than by or against the California Department of Tax and Fee Administration, in performing the functions incident to the administration or operation of this Ordinance.
 - 3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:
 - a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;
 - b. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provision of that code.
 - 4. In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.
- B. The word "County" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in Section 6203.

1. A “retailer engaged in business in this County” shall also include any retailer that in the preceding calendar year or the current calendar year, has total combined sales of tangible personal property in this state or for delivery in the State by the retailer and all persons related to the retailer that exceeds five hundred thousand dollars (\$500,000). For purposes of this section, a person is related to another person if both persons are related to each other pursuant to Section 267(b) of Title 26 of the United States Code and the regulations thereunder.

3.14.100 Permit Not Required.

If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this ordinance.

3.14.110. Exemptions and Exclusions.

- A. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.
- B. There are exempted from the computation of the amount of transactions tax the gross receipts from:
 1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the County in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.
 2. Sales of property to be used outside the County which is shipped to a point outside the County, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the County shall be satisfied:
 - a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-County address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and

- b. With respect to commercial vehicles, by registration to a place of business out-of-County and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.
 3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.
 4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this ordinance.
 5. For the purposes of subparagraphs (3) and (4) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.
- C. There are exempted from the use tax imposed by this ordinance, the storage, use or other consumption in this County of tangible personal property:
1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.
 2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.
 3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.
 4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this ordinance.
 5. For the purposes of subparagraphs (3) and (4) of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a

contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

6. Except as provided in subparagraph (7), a retailer engaged in business in this County shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the County or participates within the County in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the County or through any representative, agent, canvasser, solicitor, subsidiary, or person in the County under the authority of the retailer.
 7. "A retailer engaged in business in this County" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the County.
- D. Any person subject to use tax under this ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to the County imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

3.14.120 Amendments to State Law.

All amendments subsequent to the effective date of this ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this ordinance.

3.14.130 Enjoining Collection Forbidden.

No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the County, or against any officer of the State or the County, to prevent or enjoin the collection under this ordinance, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

3.14.140 Severability.

If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

3.14.150 Special Tax; Expenditure Plan.

- A. The transactions and use tax imposed by this ordinance is a special tax for specific public safety purposes which are of interest and benefit to all persons in the County. The proceeds from the special tax, and any interest accruing thereon, shall be deposited into the County Treasury in a separate special fund entitled Special Public Safety Tax Fund, to be used for those public programs as described in Subsection C below (the "Expenditure Plan").
- B. The proceeds from the special tax, and any interest accruing thereon, shall be used to pay the following actual administrative costs prior to allocations being made under the Expenditure Plan.
 - 1. Actual costs incurred in the administration of the Oversight Committee established in Section 3.14.160 of this chapter.
 - 2. Actual costs incurred by the Shasta County Auditor-Controller and the Shasta County Treasurer-Tax Collector for administration of the special tax.
 - 3. Actual costs incurred for an annual audit by an independent certified public accountant, who is contracted with the County of Shasta through the Shasta County Administrative Office, that outlines the amount of funds collected and expended from the special tax and the purposes for which such funds were expended. The independent certified public accountant will be selected by the Board of Supervisors, after consideration of recommendations from the Oversight Committee.
 - 4. Payments as provided in Section 3.14.040 of this chapter and state law relating to the contract with and costs of the California Department of Tax and Fee Administration for administration of the special tax.
- C. The Expenditure Plan.
 - 1. The Expenditure Plan has one fund. The fund has three identified programs. Each program also has identified program categories. Each program category may also have identified program subcategories. The Expenditure Plan calls for a specific percentage of revenue to be allocated to each of the programs, the program categories and subcategories as provided in this subsection C. The term "revenue" means the proceeds from the special tax, and any interest accruing thereon.

2. The percentage allocations assigned among the programs, the program categories, and the program subcategories may be modified by the Shasta County Board of Supervisors as follows:
 - a. The Shasta County Board of Supervisors, after notice and public hearing, may by resolution and a unanimous vote of all members of the Board, modify any of the percentage allocations assigned among the programs and the program categories. This authority includes, but is not limited to, the ability to modify the percentage allocations for the City of Redding Program Category, the City of Anderson Program Category, and the City of Shasta Lake Program Category in the Public Safety Program. The percentage allocation for the City of Redding Program Category shall not be reduced below 14% of revenue received. The percentage allocation for the City of Anderson Program Category shall not be reduced below 1.56 % of revenue received. The percentage allocation for the City of Shasta Lake Program Category shall not be reduced below 1.56% of revenue received.
 - b. The Shasta County Board of Supervisors, after notice and public hearing, may by resolution and a majority vote of the Board, modify any of the percentage allocations assigned among the program subcategories. However, the Shasta County Board of Supervisors shall not have the authority to modify percentage allocations among the program subcategories identified in the City of Redding Program Category, the City of Anderson Program Category, and the City of Shasta Lake Program Category.
3. Any modification to the percentage allocations by any entity shall not occur if to do so would violate any law, including but not limited to Article I, §10 of the United States Constitution and Article I, §9 of the California Constitution or if prohibited by any covenant made with the holders of any bonds or obligations payable from this transactions and use tax. Such action shall be subject to California law pertaining to the cancellation of prior contractual obligations.
4. The Board of Supervisors may require any and all recipients of the revenue from the special tax to make written reports to the Board of Supervisors providing in detail the proposed and actual expenditures by the recipient in a manner as established by resolution of the Board of Supervisors.
5. The Expenditure Plan.
 - a. Correctional Program – 54.91% of Revenue Received.
 - i. Jail Construction Program Category: Construction, repair, renovation and maintenance of existing County jail and adult detention facilities as well as future County jail and adult detention

facilities. This program category includes, but is not limited to, capital outlay expenditures pursuant to Chapter 1 (commencing with Section 55800) of Part 3 of Division 2 of Title 5 of the Government Code – 50% of the Correctional Program.

- ii. Jail Operations Program Category: Operation of existing County jail and adult detention facilities as well as future County jail and adult detention facilities, including, but not limited to, the hiring and training of staff – 40% of the Correctional Program.
 - iii. Jail Inmate Programs and Health Care Program Category: The associated operation of programs and health care for persons detained or confined in County jail and adult detention facilities, including, but not limited to, medication assisted treatment, training, and rehabilitative programs – 7.25% of the Correctional Program.
 - iv. Alternatives to County Incarceration Program Category: Operation and maintenance of Shasta County Sheriff programs in accordance with law that serve as alternatives to detention or confinement in County jail and adult detention facilities, including, but not limited to, home detention with electronic monitoring or GPS monitoring, work furlough programs, work release programs, and contracts to commit persons to other adult detention facilities as may be authorized by law – 2.75% of the Correctional Program.
- b. Public Safety Program – 32.01% of Revenue Received.
- i. Unincorporated County Program Category: Law enforcement, police protection, and emergency services (including, but not limited to, fire protection) provided by the County of Shasta, by contract or otherwise, for the unincorporated area of the County - 12.34 % of Revenue Received.
 - I. Program Subcategory: Hiring and training of staff by the Shasta County Sheriff's Office for law enforcement and police protection – 80% of the Unincorporated County Program Category.
 - II. Program Subcategory: Obtaining equipment by the Shasta County Sheriff's Office for law enforcement and police protection – 10% of the Unincorporated County Program Category.
 - III. Program Subcategory: Providing emergency services (including, but not limited to, fire protection) – 10% of the Unincorporated County Program Category.

- ii. City of Redding Program Category: Law enforcement, police protection, and emergency services (including, but not limited to, fire protection) provided by the City of Redding, **by contract or otherwise**, for the City of Redding - 16.09% of Revenue Received.

- I. Program Subcategory: Hiring and training of staff for law enforcement and police protection – 80% of the City of Redding Program Category.

- II. Program Subcategory: Obtaining equipment for law enforcement and police protection – 10% of the City of Redding Program Category.

- III. Program Subcategory: Providing emergency services (including, but not limited to, fire protection) – 10% of the City of Redding Program Category.

- IV. The City of Redding, after notice and public hearing, may by resolution and majority vote of the Redding City Council, modify any of the percentage allocations for the program subcategories in this program category. The City of Redding is not authorized to alter the percentage allocation for the program category.

- iii. City of Anderson Program Category: Law enforcement, police protection, and emergency services (including, but not limited to, fire protection) provided by the City of Anderson, **by contract or otherwise**, for the City of Anderson - 1.79 % of Revenue Received.

- I. Program Subcategory: Hiring and training of staff for law enforcement and police protection – 80% of the City of Anderson Program Category.

- II. Program Subcategory: Obtaining equipment for law enforcement and police protection – 10% of the City of Anderson Program Category.

- III. Program Subcategory: Providing emergency services (including, but not limited to, fire protection) – 10% of the City of Anderson Program Category.

- IV. The City of Anderson, after notice and public hearing, may by resolution and majority vote of the Anderson City Council, modify any of the percentage allocations for the program subcategories in this program

category. The City of Anderson is not authorized to alter the percentage allocation for the program category.

- iv. City of Shasta Lake Program Category: Law enforcement, police protection, and emergency services (including, but not limited to, fire protection) provided by the City of Shasta Lake, **by contract or otherwise**, for the City of Shasta Lake – 1.79% of Revenue Received.

- I. Program Subcategory: Hiring and training of staff for law enforcement and police protection – 80% of the City of Shasta Lake Program Category.

- II. Program Subcategory: Obtaining equipment for law enforcement and police protection – 10% of the City of Shasta Lake Program Category.

- III. Program Subcategory: Providing emergency services (including, but not limited to, fire protection) – 10% of the City of Shasta Lake Program Category.

- IV. The City of Shasta Lake, after notice and public hearing, may by resolution and majority vote of the Shasta Lake City Council, modify any of the percentage allocations for the program subcategories in this program category. The City of Shasta Lake is not authorized to alter the percentage allocation for the program category.

- c. Criminal Justice Program – **13.08%** of Revenue Received.

- i. District Attorney Program Category: Law enforcement, police protection, and public prosecutorial functions of the Shasta County District Attorney - 6.26% of Revenue Received.

- I. Program Subcategory: Hiring and training of staff – 90% of the District Attorney Program Category.

- II. Program Subcategory: Obtaining equipment and supplies – 10% of the District Attorney Program Category.

- ii. Public Defender Program Category: Defense of persons by the Shasta County Public Defender and the Shasta County Conflict Public Defender under Government Code section 27706, subdivision (a) – 4.25% of Revenue Received.

- I. Program Subcategory: Hiring and training of staff – 90% of the Public Defender Program Category.
 - II. Program Subcategory: Obtaining equipment and supplies – 10% of the Public Defender Program Category.
- iii. Probation Program Category: The duties of the Chief Probation Officer as they relate to adult offenders – 2.57% of Revenue Received.
 - I. Program Subcategory: Hiring and training of staff – 90% of the Probation Program Category.
 - II. Program Subcategory: Obtaining equipment and supplies – 10% of the Probation Program Category.
- D. Pursuant to Chapter 1 (commencing with Section 55800) of Part 3 of Division 2 of Title 5 of the Government Code, the County is authorized to issue bonds payable from the proceeds of the special tax to finance capital outlay expenditures as provided for in the Expenditure Plan in the manner prescribed by law.
- E. The proceeds from the special tax, and any interest accruing thereon, shall be used only for the following purposes.
 - a. To fund the public purposes identified in the Expenditure Plan.
 - b. To fund the payment of bonds issued under Subsection D of Section 3.14.150 of this chapter.
 - c. To pay the administrative costs as stated in subsection B of Section 3.14.150 of this chapter.
- F. The proceeds from the special tax, and any interest accruing thereon, shall not be used to supplant other funding for the programs, program categories, and subcategories identified in the Expenditure Plan.

3.14.160 Oversight Committee.

- A. Establishment. An Oversight Committee is hereby established and shall remain in existence for as long as the transactions and use tax established by this chapter is in effect. The Oversight Committee's purpose and charge is to advise the Board of Supervisors and the public regarding the expenditure of the transactions and use tax proceeds that will be generated as a result of the approval of this chapter by the Board of Supervisors and the electorate.
- B. Responsibilities.

1. The Oversight Committee shall be responsible for:
 - a. Providing the Board of Supervisors and the public with information regarding the manner in which the expenditure of the transactions and use tax proceeds that will be generated as a result of the approval of this chapter has occurred.
 - b. Reviewing the expenditure of the transactions and use tax proceeds that will be generated as a result of the approval of this chapter, and the proceeds received as a result of the issuance of any bonds or other obligations payable from the transactions and use tax proceeds.
 - c. Reviewing the annual audit by an independent certified public accountant that outlines the amount of funds collected and expended from the transactions and use tax and the purposes for which such funds were expended.
 - d. Making recommendations to the Board of Supervisors for the Board's selection of an independent certified public accountant to perform the annual audit.
 - e. Reviewing the financial impact of all projects, planned and approved, utilizing the transactions and use tax proceeds that will be generated as a result of the approval of this chapter, and advising the Board of Supervisors and the public whether such projects are consistent with the purpose, spirit, intent and language of this chapter.
 - f. Informing the public and advising the Board of Supervisors if there is an expenditure of the transactions and use tax that will be generated as a result of the approval of this chapter, which is inconsistent with the purpose and intent of this chapter.
 - g. Meeting not less than twice each calendar year, pursuant to the Ralph M. Brown Open Meeting Act, and inviting public participation and comment with respect to any expenditure or the implementation of any project envisioned by this chapter.
2. The Board of Supervisors may adopt a resolution providing additional responsibilities to the Oversight Committee.
3. The Oversight Committee serves in an advisory capacity to the Board of Supervisors and the public and has no authority to direct, nor shall it direct, County officers, agents, employees, and elected officials.

C. Membership.

1. All members of the Oversight Committee shall be appointed by the Board of Supervisors from recommendations made by public agencies and non-government organizations as identified by resolution of the Board of Supervisors.
2. At minimum, the members of the Oversight Committee shall be appointed by the Board of Supervisors from the following recommendations:
 - a. One representative recommended by the City of Anderson City Council. The representative shall not be an officer, agent, employee, or elected official of the City of Anderson.
 - b. Two representatives recommended by the City of Redding City Council. The representative shall not be an officer, agent, employee, or elected official of the City of Redding.
 - c. One representative recommended by the City of Shasta Lake City Council. The representative shall not be an officer, agent, employee, or elected official of the City of Shasta Lake.
 - d. Two representatives recommended by the Shasta County Board of Supervisors. The representative shall not be an officer, agent, employee or elected official of the County of Shasta.
 - e. One representative recommended by a non-government organization as identified by resolution of the Board of Supervisors.
3. Additional members may be appointed by the Board of Supervisors based on recommendations from any of the above entities and from any other entities as identified by resolution of the Board of Supervisors.
4. No member of the Oversight Committee shall receive any salary or compensation for serving on the Oversight Committee.
5. All members of the Oversight Committee shall be individuals who live in the incorporated or unincorporated areas of Shasta County.
6. Members of the Oversight Committee will serve terms of office as established by resolution of the Board of Supervisors.

3.14.170 Special Tax; Annual Report.

The Shasta County Auditor-Controller shall, within one year after the operative date of this Ordinance, and at least once a year thereafter, submit a report to the Board of Supervisors that shall contain the following information: (1) the amount of funds collected and expended; and

(2) the status of any project required or authorized to be funded under this Ordinance. This report from the Auditor-Controller shall be in addition to the annual audit prepared by an independent certified public accountant.

3.14.180 Effective Date.

This chapter relates to the levying and collecting of a County transactions and use tax and shall take effect on March 3, 2020 after certification of the vote, if the measure is approved by two-thirds of the electors voting on the measure at the election held that day.

3.14.190 Reduction of Tax; Termination of Tax.

The transactions and use tax imposed under this chapter may be reduced or rescinded, after notice and a public hearing, by an ordinance adopted by a four-fifths (4/5) vote of the Board of Supervisors; provided, however that such reduction or rescission shall not occur if to do so would violate any law, including but not limited to Article I, §10 of the United States Constitution and Article I, §9 of the California Constitution or if prohibited by any covenant made with the holders of any bonds or obligations payable from this transactions and use tax. Such action shall be subject to California law pertaining to the cancellation of prior contractual obligations and the rules and regulations of the State Board of Equalization and the California Department of Tax and Fee Administration.

3.14.200 Relationship to Existing Tax.

The transactions and use tax imposed by this ordinance is separate from, and in addition to, any other taxes currently imposed by the County. Nothing in this ordinance shall be interpreted to affect the rate or administration of any tax other than the transactions and use imposed by this ordinance.

3.14.210 Increase of the Appropriations Limit.

The appropriations limit of the County shall be increased by the amount of revenue anticipated to be collected by the County from the transactions and use tax to allow spending of the tax for the period allowed by law.

3.14.220 Compliance with the California Environmental Quality Act.

Pursuant to California Environmental Quality Act (CEQA) Guidelines sections 15060(c)(2) and 15378(b)(2) and (4), adoption of this Ordinance and Expenditure Plan will not result in a direct or reasonably foreseeable indirect physical change in the environment and is not a “project” subject to the requirements of CEQA. Prior to the commencement of any project included in the Expenditure Plan, any necessary environmental review required by CEQA shall be completed. Estimated costs in the Expenditure Plan include the cost of such environmental review.

SECTION II.

All former ordinances and resolutions, or parts thereof, conflicting or inconsistent with the provisions of this ordinance are hereby repealed. The Clerk of the Board shall cause this ordinance to be published as required by law.

DULY PASSED AND ADOPTED this ____ day of _____ 2019, by the Board of Supervisors, County of Shasta, State of California, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

RECUSE:

LEONARD MOTY, CHAIRMAN
Board of Supervisors
County of Shasta
State of California

ATTEST:

LAWRENCE G. LEES
Clerk of the Board of Supervisors

By: _____
Deputy

ORDINANCE NO. SCC 2019 - _____

**AN ORDINANCE OF THE BOARD OF SUPERVISORS OF THE COUNTY OF
SHASTA ENACTING CHAPTER 3.14 OF THE SHASTA COUNTY CODE
IMPOSING A ONE PERCENT TRANSACTIONS AND USE TAX TO BE
ADMINISTERED BY THE CALIFORNIA DEPARTMENT OF TAX AND FEE
ADMINISTRATION FOR CERTAIN PUBLIC SAFETY PURPOSES**

The Board of Supervisors of the County of Shasta ordains as follows:

SECTION I.

Chapter 3.14 is added to the Shasta County Code as follows:

Chapter 3.14

TRANSACTIONS AND USE TAX FOR PUBLIC SAFETY

Sections:

3.14.010	Title
3.14.020	Operative Date
3.14.030	Purpose
3.14.040	Contract with State
3.14.050	Transactions Tax Rate
3.14.060	Place of Sale
3.14.070	Use Tax Rate
3.14.080	Adoption of Provisions of State Law
3.14.090	Limitations on Adoption of State Law and Collection of Use Taxes
3.14.100	Permit Not Required
3.14.110	Exemptions and Exclusions
3.14.120	Amendments to State Law
3.14.130	Enjoining Collection Forbidden
3.14.140	Severability
3.14.150	Special Tax; Expenditure Plan
3.14.160	Oversight Committee
3.14.170	Special Tax; Annual Report
3.14.180	Effective Date
3.14.190	Reduction of Tax; Termination of Tax
3.14.200	Relationship to Existing Tax
3.14.210	Increase of the Appropriations Limit
3.14.220	Compliance with the California Environmental Quality Act

3.14.010 Title.

This ordinance shall be known as the Shasta County Public Safety Transactions and Use Tax Ordinance. The County of Shasta hereinafter shall be called "County." This ordinance shall be applicable in the incorporated and unincorporated territory of the County.

3.14.020 Operative Date.

"Operative Date" means the first day of the first calendar quarter commencing more than 110 days after March 3, 2020.

3.14.030. Purpose.

This ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

- A. To impose a special retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 7285.5 of Part 1.7 of Division 2 which authorizes the County to adopt this tax ordinance which shall be operative if a two-thirds (2/3) majority of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose. The election shall be held on March 3, 2020.
- B. To adopt a special retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.
- C. To adopt a special retail transactions and use tax ordinance that imposes a tax and provides a measure therefor that can be administered and collected by the California Department of Tax and Fee Administration in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the California Department of Tax and Fee Administration in administering and collecting the California State Sales and Use Taxes.
- D. To adopt a special retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this ordinance.

3.14.040 Contract with State.

- A. Prior to the operative date, the County shall contract with the California Department of Tax and Fee Administration to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the County shall not have contracted with the California Department of Tax and Fee Administration prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.
- B. Payment for the costs of contracting with the California Department of Tax and Fee Administration for administration of the tax shall be the responsibility of the County. If the election is successful, the County shall be reimbursed for any fee charged by the California Department of Tax and Fee Administration from the proceeds of the special tax.

3.14.050 Transactions Tax Rate.

For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated and unincorporated territory of the County at the rate of one percent (1%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this ordinance.

3.14.060 Place of Sale.

For the purposes of this ordinance, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the California Department of Tax and Fee Administration.

3.14.070 Use Tax Rate.

An excise tax is hereby imposed on the storage, use or other consumption in the County of tangible personal property purchased from any retailer on and after the operative date of this ordinance for storage, use or other consumption in said territory at the rate of one percent (1%) of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

3.14.080 Adoption of Provisions of State Law.

Except as otherwise provided in this ordinance and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this ordinance as though fully set forth herein.

3.14.090 Limitations on Adoption of State Law and Collection of Use Taxes.

In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

- A. Wherever the State of California is named or referred to as the taxing agency, the name of this County shall be substituted therefor. However, the substitution shall not be made when:
 - 1. The word "State" is used as a part of the title of the State Controller, State Treasurer, State Treasury, or the Constitution of the State of California;
 - 2. The result of that substitution would require action to be taken by or against this County or any agency, officer, or employee thereof rather than by or against the California Department of Tax and Fee Administration, in performing the functions incident to the administration or operation of this Ordinance.
 - 3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:
 - a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;
 - b. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provision of that code.
 - 4. In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.
- B. The word "County" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in Section 6203.

1. A “retailer engaged in business in this County” shall also include any retailer that in the preceding calendar year or the current calendar year, has total combined sales of tangible personal property in this state or for delivery in the State by the retailer and all persons related to the retailer that exceeds five hundred thousand dollars (\$500,000). For purposes of this section, a person is related to another person if both persons are related to each other pursuant to Section 267(b) of Title 26 of the United States Code and the regulations thereunder.

3.14.100 Permit Not Required.

If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this ordinance.

3.14.110. Exemptions and Exclusions.

- A. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.
- B. There are exempted from the computation of the amount of transactions tax the gross receipts from:
 1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the County in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.
 2. Sales of property to be used outside the County which is shipped to a point outside the County, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the County shall be satisfied:
 - a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-County address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and

- b. With respect to commercial vehicles, by registration to a place of business out-of-County and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.
 3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.
 4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this ordinance.
 5. For the purposes of subparagraphs (3) and (4) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.
- C. There are exempted from the use tax imposed by this ordinance, the storage, use or other consumption in this County of tangible personal property:
1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.
 2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.
 3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.
 4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this ordinance.
 5. For the purposes of subparagraphs (3) and (4) of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a

contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

6. Except as provided in subparagraph (7), a retailer engaged in business in this County shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the County or participates within the County in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the County or through any representative, agent, canvasser, solicitor, subsidiary, or person in the County under the authority of the retailer.
 7. "A retailer engaged in business in this County" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the County.
- D. Any person subject to use tax under this ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to the County imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

3.14.120 Amendments to State Law.

All amendments subsequent to the effective date of this ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this ordinance.

3.14.130 Enjoining Collection Forbidden.

No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the County, or against any officer of the State or the County, to prevent or enjoin the collection under this ordinance, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

3.14.140 Severability.

If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

3.14.150 Special Tax; Expenditure Plan.

- A. The transactions and use tax imposed by this ordinance is a special tax for specific public safety purposes which are of interest and benefit to all persons in the County. The proceeds from the special tax, and any interest accruing thereon, shall be deposited into the County Treasury in a separate special fund entitled Special Public Safety Tax Fund, to be used for those public programs as described in Subsection C below (the "Expenditure Plan").
- B. The proceeds from the special tax, and any interest accruing thereon, shall be used to pay the following actual administrative costs prior to allocations being made under the Expenditure Plan.
 - 1. Actual costs incurred in the administration of the Oversight Committee established in Section 3.14.160 of this chapter.
 - 2. Actual costs incurred by the Shasta County Auditor-Controller and the Shasta County Treasurer-Tax Collector for administration of the special tax.
 - 3. Actual costs incurred for an annual audit by an independent certified public accountant, who is contracted with the County of Shasta through the Shasta County Administrative Office, that outlines the amount of funds collected and expended from the special tax and the purposes for which such funds were expended. The independent certified public accountant will be selected by the Board of Supervisors, after consideration of recommendations from the Oversight Committee.
 - 4. Payments as provided in Section 3.14.040 of this chapter and state law relating to the contract with and costs of the California Department of Tax and Fee Administration for administration of the special tax.
- C. The Expenditure Plan.
 - 1. The Expenditure Plan has one fund. The fund has three identified programs. Each program also has identified program categories. Each program category may also have identified program subcategories. The Expenditure Plan calls for a specific percentage of revenue to be allocated to each of the programs, the program categories and subcategories as provided in this subsection C. The term "revenue" means the proceeds from the special tax, and any interest accruing thereon.

2. The percentage allocations assigned among the programs, the program categories, and the program subcategories may be modified by the Shasta County Board of Supervisors as follows:
 - a. The Shasta County Board of Supervisors, after notice and public hearing, may by resolution and a unanimous vote of all members of the Board, modify any of the percentage allocations assigned among the programs and the program categories. This authority includes, but is not limited to, the ability to modify the percentage allocations for the City of Redding Program Category, the City of Anderson Program Category, and the City of Shasta Lake Program Category in the Public Safety Program. The percentage allocation for the City of Redding Program Category shall not be reduced below 14% of revenue received. The percentage allocation for the City of Anderson Program Category shall not be reduced below 1.56 % of revenue received. The percentage allocation for the City of Shasta Lake Program Category shall not be reduced below 1.56% of revenue received.
 - b. The Shasta County Board of Supervisors, after notice and public hearing, may by resolution and a majority vote of the Board, modify any of the percentage allocations assigned among the program subcategories. However, the Shasta County Board of Supervisors shall not have the authority to modify percentage allocations among the program subcategories identified in the City of Redding Program Category, the City of Anderson Program Category, and the City of Shasta Lake Program Category.
3. Any modification to the percentage allocations by any entity shall not occur if to do so would violate any law, including but not limited to Article I, §10 of the United States Constitution and Article I, §9 of the California Constitution or if prohibited by any covenant made with the holders of any bonds or obligations payable from this transactions and use tax. Such action shall be subject to California law pertaining to the cancellation of prior contractual obligations.
4. The Board of Supervisors may require any and all recipients of the revenue from the special tax to make written reports to the Board of Supervisors providing in detail the proposed and actual expenditures by the recipient in a manner as established by resolution of the Board of Supervisors.
5. The Expenditure Plan.
 - a. Correctional Program – 54.91% of Revenue Received
 - i. Jail Construction Program Category: Construction, repair, renovation and maintenance of existing County jail and adult detention facilities as well as future County jail and adult detention

facilities. This program category includes, but is not limited to, capital outlay expenditures pursuant to Chapter 1 (commencing with Section 55800) of Part 3 of Division 2 of Title 5 of the Government Code – 50% of the Correctional Program.

- ii. Jail Operations Program Category: Operation of existing County jail and adult detention facilities as well as future County jail and adult detention facilities, including, but not limited to, the hiring and training of staff – 40% of the Correctional Program.
 - iii. Jail Inmate Programs and Health Care Program Category: The associated operation of programs and health care for persons detained or confined in County jail and adult detention facilities, including, but not limited to, medication assisted treatment, training, and rehabilitative programs – 7.25% of the Correctional Program.
 - iv. Alternatives to County Incarceration Program Category: Operation and maintenance of Shasta County Sheriff programs in accordance with law that serve as alternatives to detention or confinement in County jail and adult detention facilities, including, but not limited to, home detention with electronic monitoring or GPS monitoring, work furlough programs, work release programs, and contracts to commit persons to other adult detention facilities as may be authorized by law – 2.75% of the Correctional Program.
- b. Public Safety Program – 32.01% of Revenue Received.
- i. Unincorporated County Program Category: Law enforcement, police protection, and emergency services (including, but not limited to, fire protection) provided by the County of Shasta, by contract or otherwise, for the unincorporated area of the County - 12.34 % of Revenue Received.
 - I. Program Subcategory: Hiring and training of staff by the Shasta County Sheriff's Office for law enforcement and police protection – 80% of the Unincorporated County Program Category
 - II. Program Subcategory: Obtaining equipment by the Shasta County Sheriff's Office for law enforcement and police protection – 10% of the Unincorporated County Program Category.
 - III. Program Subcategory: Providing emergency services (including, but not limited to, fire protection) – 10% of the Unincorporated County Program Category.

- ii. City of Redding Program Category: Law enforcement, police protection, and emergency services (including, but not limited to, fire protection) provided by the City of Redding, by contract or otherwise, for the City of Redding - 16.09% of Revenue Received.

- I. Program Subcategory: Hiring and training of staff for law enforcement and police protection – 80% of the City of Redding Program Category.

- II. Program Subcategory: Obtaining equipment for law enforcement and police protection – 10% of the City of Redding Program Category.

- III. Program Subcategory: Providing emergency services (including, but not limited to, fire protection) – 10% of the City of Redding Program Category.

- IV. The City of Redding, after notice and public hearing, may by resolution and majority vote of the Redding City Council, modify any of the percentage allocations for the program subcategories in this program category. The City of Redding is not authorized to alter the percentage allocation for the program category.

- iii. City of Anderson Program Category: Law enforcement, police protection, and emergency services (including, but not limited to, fire protection) provided by the City of Anderson, by contract or otherwise, for the City of Anderson - 1.79 % of Revenue Received.

- I. Program Subcategory: Hiring and training of staff for law enforcement and police protection – 80% of the City of Anderson Program Category.

- II. Program Subcategory: Obtaining equipment for law enforcement and police protection – 10% of the City of Anderson Program Category.

- III. Program Subcategory: Providing emergency services (including, but not limited to, fire protection) – 10% of the City of Anderson Program Category.

- IV. The City of Anderson, after notice and public hearing, may by resolution and majority vote of the Anderson City Council, modify any of the percentage allocations for the program subcategories in this program

category. The City of Anderson is not authorized to alter the percentage allocation for the program category.

- iv. City of Shasta Lake Program Category: Law enforcement, police protection, and emergency services (including, but not limited to, fire protection) provided by the City of Shasta Lake, by contract or otherwise, for the City of Shasta Lake – 1.79% of Revenue Received.

- I. Program Subcategory: Hiring and training of staff for law enforcement and police protection – 80% of the City of Shasta Lake Program Category.

- II. Program Subcategory: Obtaining equipment for law enforcement and police protection – 10% of the City of Shasta Lake Program Category.

- III. Program Subcategory: Providing emergency services (including, but not limited to, fire protection) – 10% of the City of Shasta Lake Program Category

- IV. The City of Shasta Lake, after notice and public hearing, may by resolution and majority vote of the Shasta Lake City Council, modify any of the percentage allocations for the program subcategories in this program category. The City of Shasta Lake is not authorized to alter the percentage allocation for the program category.

- c. Criminal Justice Program – 13.08% of Revenue Received.

- i. District Attorney Program Category: Law enforcement, police protection, and public prosecutorial functions of the Shasta County District Attorney - 6.26% of Revenue Received.

- I. Program Subcategory: Hiring and training of staff – 90% of the District Attorney Program Category.

- II. Program Subcategory: Obtaining equipment and supplies – 10% of the District Attorney Program Category.

- ii. Public Defender Program Category: Defense of persons by the Shasta County Public Defender and the Shasta County Conflict Public Defender under Government Code section 27706, subdivision (a) – 4.25% of Revenue Received.

- I. Program Subcategory: Hiring and training of staff – 90% of the Public Defender Program Category.
 - II. Program Subcategory: Obtaining equipment and supplies – 10% of the Public Defender Program Category.
- iii. Probation Program Category: The duties of the Chief Probation Officer as they relate to adult offenders – 2.57% of Revenue Received.
 - I. Program Subcategory: Hiring and training of staff – 90% of the Probation Program Category.
 - II. Program Subcategory: Obtaining equipment and supplies – 10% of the Probation Program Category.
- D. Pursuant to Chapter 1 (commencing with Section 55800) of Part 3 of Division 2 of Title 5 of the Government Code, the County is authorized to issue bonds payable from the proceeds of the special tax to finance capital outlay expenditures as provided for in the Expenditure Plan in the manner prescribed by law.
- E. The proceeds from the special tax, and any interest accruing thereon, shall be used only for the following purposes.
 - a. To fund the public purposes identified in the Expenditure Plan.
 - b. To fund the payment of bonds issued under Subsection D of Section 3.14.150 of this chapter.
 - c. To pay the administrative costs as stated in subsection B of Section 3.14.150 of this chapter.
- F. The proceeds from the special tax, and any interest accruing thereon, shall not be used to supplant other funding for the programs, program categories, and subcategories identified in the Expenditure Plan.

3.14.160 Oversight Committee.

- A. Establishment. An Oversight Committee is hereby established and shall remain in existence for as long as the transactions and use tax established by this chapter is in effect. The Oversight Committee's purpose and charge is to advise the Board of Supervisors and the public regarding the expenditure of the transactions and use tax proceeds that will be generated as a result of the approval of this chapter by the Board of Supervisors and the electorate.

B. Responsibilities.

1. The Oversight Committee shall be responsible for:
 - a. Providing the Board of Supervisors and the public with information regarding the manner in which the expenditure of the transactions and use tax proceeds that will be generated as a result of the approval of this chapter has occurred.
 - b. Reviewing the expenditure of the transactions and use tax proceeds that will be generated as a result of the approval of this chapter, and the proceeds received as a result of the issuance of any bonds or other obligations payable from the transactions and use tax proceeds.
 - c. Reviewing the annual audit by an independent certified public accountant that outlines the amount of funds collected and expended from the transactions and use tax and the purposes for which such funds were expended.
 - d. Making recommendations to the Board of Supervisors for the Board's selection of an independent certified public accountant to perform the annual audit.
 - e. Reviewing the financial impact of all projects, planned and approved, utilizing the transactions and use tax proceeds that will be generated as a result of the approval of this chapter, and advising the Board of Supervisors and the public whether such projects are consistent with the purpose, spirit, intent and language of this chapter.
 - f. Informing the public and advising the Board of Supervisors if there is an expenditure of the transactions and use tax that will be generated as a result of the approval of this chapter, which is inconsistent with the purpose and intent of this chapter.
 - g. Meeting not less than twice each calendar year, pursuant to the Ralph M. Brown Open Meeting Act, and inviting public participation and comment with respect to any expenditure or the implementation of any project envisioned by this chapter.
2. The Board of Supervisors may adopt a resolution providing additional responsibilities to the Oversight Committee.
3. The Oversight Committee serves in an advisory capacity to the Board of Supervisors and the public and has no authority to direct, nor shall it direct, County officers, agents, employees, and elected officials.

C. Membership.

1. All members of the Oversight Committee shall be appointed by the Board of Supervisors from recommendations made by public agencies and non-government organizations as identified by resolution of the Board of Supervisors.
2. At minimum, the members of the Oversight Committee shall be appointed by the Board of Supervisors from the following recommendations:
 - a. One representative recommended by the City of Anderson City Council. The representative shall not be an officer, agent, employee, or elected official of the City of Anderson.
 - b. Two representatives recommended by the City of Redding City Council. The representative shall not be an officer, agent, employee, or elected official of the City of Redding.
 - c. One representative recommended by the City of Shasta Lake City Council. The representative shall not be an officer, agent, employee, or elected official of the City of Shasta Lake.
 - d. Two representatives recommended by the Shasta County Board of Supervisors. The representative shall not be an officer, agent, employee or elected official of the County of Shasta.
 - e. One representative recommended by a non-government organization as identified by resolution of the Board of Supervisors.
3. Additional members may be appointed by the Board of Supervisors based on recommendations from any of the above entities and from any other entities as identified by resolution of the Board of Supervisors.
4. No member of the Oversight Committee shall receive any salary or compensation for serving on the Oversight Committee.
5. All members of the Oversight Committee shall be individuals who live in the incorporated or unincorporated areas of Shasta County.
6. Members of the Oversight Committee will serve terms of office as established by resolution of the Board of Supervisors.

3.14.170 Special Tax; Annual Report.

The Shasta County Auditor-Controller shall, within one year after the operative date of this Ordinance, and at least once a year thereafter, submit a report to the Board of Supervisors that shall contain the following information: (1) the amount of funds collected and expended; and

(2) the status of any project required or authorized to be funded under this Ordinance. This report from the Auditor-Controller shall be in addition to the annual audit prepared by an independent certified public accountant.

3.14.180 Effective Date.

This chapter relates to the levying and collecting of a County transactions and use tax and shall take effect on March 3, 2020 after certification of the vote, if the measure is approved by two-thirds of the electors voting on the measure at the election held that day.

3.14.190 Reduction of Tax; Termination of Tax.

The transactions and use tax imposed under this chapter may be reduced or rescinded, after notice and a public hearing, by an ordinance adopted by a four-fifths (4/5) vote of the Board of Supervisors; provided, however that such reduction or rescission shall not occur if to do so would violate any law, including but not limited to Article I, §10 of the United States Constitution and Article I, §9 of the California Constitution or if prohibited by any covenant made with the holders of any bonds or obligations payable from this transactions and use tax. Such action shall be subject to California law pertaining to the cancellation of prior contractual obligations and the rules and regulations of the State Board of Equalization and the California Department of Tax and Fee Administration.

3.14.200 Relationship to Existing Tax.

The transactions and use tax imposed by this ordinance is separate from, and in addition to, any other taxes currently imposed by the County. Nothing in this ordinance shall be interpreted to affect the rate or administration of any tax other than the transactions and use imposed by this ordinance.

3.14.210 Increase of the Appropriations Limit.

The appropriations limit of the County shall be increased by the amount of revenue anticipated to be collected by the County from the transactions and use tax to allow spending of the tax for the period allowed by law.

3.14.220 Compliance with the California Environmental Quality Act.

Pursuant to California Environmental Quality Act (CEQA) Guidelines sections 15060(c)(2) and 15378(b)(2) and (4), adoption of this Ordinance and Expenditure Plan will not result in a direct or reasonably foreseeable indirect physical change in the environment and is not a “project” subject to the requirements of CEQA. Prior to the commencement of any project included in the Expenditure Plan, any necessary environmental review required by CEQA shall be completed. Estimated costs in the Expenditure Plan include the cost of such environmental review.

SECTION II.

All former ordinances and resolutions, or parts thereof, conflicting or inconsistent with the provisions of this ordinance are hereby repealed. The Clerk of the Board shall cause this ordinance to be published as required by law.

DULY PASSED AND ADOPTED this ____ day of _____ 2019, by the Board of Supervisors, County of Shasta, State of California, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSE:

LEONARD MOTY, CHAIRMAN
Board of Supervisors
County of Shasta
State of California

ATTEST:

LAWRENCE G. LEES
Clerk of the Board of Supervisors

By: _____
Deputy

RESOLUTION NO. 2019-_____

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SHASTA CALLING AN ELECTION AND CONSOLIDATING IT WITH THE MARCH 3, 2020 PRIMARY ELECTION FOR THE PURPOSE OF SUBMITTING TO THE VOTERS A MEASURE TO ADOPT A SPECIAL TRANSACTIONS AND USE TAX IN AN AMOUNT NOT TO EXCEED ONE PERCENT (1%) TO BE USED FOR FUNDING SPECIFIC PUBLIC SAFETY PURPOSES IN THE INCORPORATED AND UNINCORPORATED AREAS OF THE COUNTY

WHEREAS, the Board of Supervisors (the "Board") of the County of Shasta ("County") desires to place a ballot measure before the voters at the March 3, 2020, primary election to adopt a Transactions and Use Tax ordinance (the "Ordinance"), as authorized by California Revenue and Taxation Code section 7285.5; and

WHEREAS, the Ordinance imposes a one percent (1%) transactions and use tax to be collected in the manner set forth in the Ordinance, and deposited into a dedicated fund for the special public safety purposes as identified in the Ordinance; and

WHEREAS, in order for the Ordinance to become effective, it must be approved by two-thirds of the qualified electors casting votes; and

WHEREAS, it is in the best interests of the County of Shasta and its citizens to call an election and place the Ordinance on the ballot for the March 3, 2020 Primary Election.

NOW, THEREFORE, BE IT RESOLVED by the Shasta County Board of Supervisors, State of California, as follows:

1. The foregoing recitals are true and correct, and the Board so finds and determines.
2. The Ordinance authorizing the special tax is as set forth in Exhibit A to this resolution.
3. Pursuant to the provisions of Elections Code section 9140 and Revenue & Taxation Code section 7285.5, the Board of Supervisors hereby approves the Ordinance, the form thereof, and orders and proclaims that the Ordinance shall be submitted to the voters of the County of Shasta at the Primary Election to be held and conducted on the 3rd day of March, 2020. The manner of holding the election and the procedure for voting for and against the question presented shall be as set forth in the Elections Code for a primary election.

4. The Shasta County Clerk/Registrar of Voters is directed to assign an appropriate letter to this measure in a manner consistent with Elections Code section 13116.
5. Elections Code sections 9160, *et seq.*, shall apply to this election.
6. In accordance with section 13119 of the Elections Code, the following measure shall be submitted as a measure on the ballot at said Primary Election, and that the County Clerk/Registrar of Voters be, and hereby is, instructed to place the same on the ballot at said election in the following form:

Shall Measure ____ (the Shasta County Public Safety Transactions and Use Tax Ordinance) be adopted?

To provide approximately \$31,000,000 annually for the specific public safety purposes of (1) providing funding for County jail facilities, operations, programs, and services, including alternatives to County jail incarceration, (2) providing funding for law enforcement and emergency services (including fire protection) in the unincorporated area of Shasta County and in the Cities of Redding, Anderson, and Shasta Lake, (3) providing funding for criminal prosecutions by the District Attorney, for criminal defense by the Public Defender and Conflict Public Defender, and for the duties of Probation as they relate to adult offenders, the measure allows the County of Shasta to enact a one percent (1%) transactions and use tax throughout the entire county. The measure creates an Oversight Committee and an annual audit requirement detailing how the funds have been spent. The tax will be in effect until reduced or repealed by the Board of Supervisors by a 4/5 vote.

YES

NO

7. The impartial analysis by the County Counsel in the form required by Elections Code section 9160 (b) shall be prepared and filed with the County Clerk/Registrar of Voters on a date to be determined by the County Clerk/Registrar of Voters pursuant to Elections Code section 9163.
8. The Shasta County Auditor-Controller is directed to review the Ordinance and determine whether the substance thereof, if adopted, would affect the revenues or expenditures of the County and prepare a fiscal impact statement which estimates the amount of any increase or decrease in

revenues or costs to the County if the Ordinance is adopted. The Auditor-Controller's fiscal impact statement will be included in the official ballot materials pursuant to Elections Code § 9160.

9. The entire text of the Ordinance shall not be printed in the voter information section of the sample ballot and instead, pursuant to Elections Code section 9160, shall be printed immediately below the County Counsel's impartial analysis, in no less than 10-point boldface type, a legend substantially as follows:

“The above statement is an impartial analysis of Ordinance or Measure _____. If you desire a copy of the ordinance or measure, please call the elections official's office at (530-225-5730) and a copy will be mailed at no cost to you.”

Pursuant to Elections Code section 9160, the Shasta County Clerk/Registrar of Voters may, at her discretion, add the following message:

“You may also access the full text of the measure on the county Web site at the following Web site address

[\(https://www.elections.co.shasta.ca.us/\)](https://www.elections.co.shasta.ca.us/).”

10. This tax is a special tax requiring the approval of two-thirds of the qualified electors casting votes.
11. This Proclamation of Election is hereby issued for said election and the measure to be voted on in accordance with the terms hereinabove stated.
12. Based on all of the information presented at the Board of Supervisors meeting on September 10, 2019, the Board of Supervisors finds under the California Environmental Quality Act (“CEQA”) guidelines section 15060(c)(2) and 15378, subdivisions (2) and (4) of subdivision (b), the proposed tax measure will not result in a direct or reasonably foreseeable indirect physical change in the environment and is not a “project” subject to the requirements of CEQA.

DULY PASSED AND ADOPTED this ____th day of September, 2019, by the Board of Supervisors of the County of Shasta by the following vote:

AYES:

NOES:

ABSENT:
ABSTAIN:
RECUSE:

LEONARD MOTY, CHAIRMAN
Board of Supervisors, County of Shasta
State of California

ATTEST:

LAWRENCE G. LEES
Clerk of the Board of Supervisors

By: _____
Deputy