City of St. Helena
Regular City Council Meeting
Tuesday, August 22, 2017 @ 6:00 PM
Vintage Hall Board Room - Second Floor
465 Main Street, St. Helena

PLEASE NOTE: Any person who wishes to speak regarding an item on the agenda or make a comment under the "Oral Communication" portion of the agenda may do so, but please observe the time limit of three minutes.

Page

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL
Mayor: Alan Galbraith
Vice Mayor: Peter White
City Council: Paul Dohring
Geoff Ellsworth
Mary Koberstein

4. PUBLIC FORUM:
Members of the public are entitled to speak on matters of municipal concern not on the agenda during Public Forum. Each person's comments shall be limited to 3 minutes. Each person is entitled to speak on any non-agendized item only once at any meeting. Brief questions by Councilmembers for clarifications may be posed and answered, and Councilmembers may make requests that items be placed on future agendas, but in accordance with state law, no substantive discussion or action may take place unless and until the matter properly appears on the agenda.

5. REPORTS BY STAFF AND CITY COUNCIL, FUTURE AGENDA ITEMS, AND AB 1234 REPORTS:
Reports by staff and/or Councilmembers on items of general interest. Brief questions for clarification may be posed and answered, and Councilmembers may request that items be placed on a future agenda. Except under certain circumstances, the Brown Act prohibits any other discussion or action by the City Council.

6. PRESENTATIONS AND PUBLIC RECOGNITIONS

   6.1. Proclamation - Supporting an End to Hate, Bigotry and Intimidation in All its Forms — 7

   Proclamation

7. STAFF BRIEFING

   7.1. None

8. CONSENT ITEMS
Members of the Council or the public may ask that any items be considered individually for purposes of considering alternative action, for extended discussion, or for public comment. Unless that is done, one motion may be

used to adopt all recommended actions. (Roll Call Vote)

8.1. 2016-2017 Annual Report on the Housing Services Agreement with the Housing Authority of the City of Napa 9 - 13

CEQA Determination: Not a CEQA project
Prepared By: Noah Housh, Planning & Community Improvement Director
Recommendation:
Receive and file

Staff Report

8.2. Memorandum of Understanding (MOU) between the City of St. Helena and the St. Helena Hospital, with the St. Helena Hospital Committing to Provide Health Care Services to Low-Income Individuals without Medicare or the State of California Medicaid Benefits 15 - 21

CEQA Determination: Not a CEQA project
Prepared By: Cindy Black, City Clerk
Recommendation:
Approve

Staff Report

8.3. Consideration and proposed approval of a resolution approving an agreement with the Housing Authority of the City of Napa (HACN) to administer the HOME Grant funded owner-occupied rehabilitation program 23 - 68

CEQA Determination: Exempt from the requirements of CEQA under the "General Rule", Section 15061 (b)(3), in that it can be seen with certainty that the proposed action will have no impact on the environment.
Prepared By: Noah Housh, Planning & Community Improvement Director
Recommendation:
Approve

Staff Report

8.4. Consideration and proposed approval of a resolution authorizing the Police Department to accelerate the hiring of one Police Officer effective November 1, 2017, in advance of an announced Officer retirement in February, 2018 69 - 73

CEQA Determination: Not a CEQA project
Prepared By: William Imboden, Chief of Police
Recommendation:
Approve

Staff Report

8.5. Consideration and approval of a resolution authorizing the City Manager to sign a joint contract between the City of St. Helena and the City of Calistoga with the Up Valley Family Centers to provide State 75 - 90 mandated juvenile diversion services, not to exceed $25,000 annually.

CEQA Determination: Not a CEQA project
Prepared By: William Imboden, Chief of Police
Recommendation:
Approve
Staff Report

9. PUBLIC HEARINGS

9.1. None

10. NEW BUSINESS

10.1. Review, Discuss and Provide Direction to Staff and Hansford Economic Consulting on Revised Utility Rate Study — 91 - 98

CEQA Determination: Exempt from the requirements of CEQA under the "General Rule", Section 15061 (b)(3), in that it can be seen with certainty that the proposed action will have no impact on the environment.
Prepared By: April Mitts, Finance Director
Recommendation:
Provide direction
Staff Report

10.2. Discussion and Council Direction of the Proposed Facilities Condition and Needs Assessment RFP — 99 - 121

CEQA Determination: Not a CEQA project
Prepared By: Noah Housh, Planning & Community Improvement Director
Recommendation:
Provide direction
Staff Report

10.3. City Council requested standing items:
a. City owned Adams Street property update: Receive oral report by staff

b. Waste Water Treatment Plant Upgrade Status: Receive oral report by staff

11. ITEMS LIKELY TO BE PLACED ON THE NEXT OR FUTURE MEETING AGENDA:

11.1. September:
1. 9/12 - 1st reading of proposed truck ordinance
2. 9/12 - Informational update on LAFCO municipal services review and sphere of influence - Admin
3. 9/12 - 4th Qtr Finance Update - Finance
4. 9/12 - Consideration and proposed adoption of a resolution accepting the Water and Wastewater Rate Study and to proceed with the Proposition 218 requirements for a Water and Wastewater Rate

Increase - Finance

5. 9/12 - Measure A Amendment – Finance

6. Award of contract for spillway condition assessment at Bell Canyon – Public Works

7. 9/26 - Housing allocation - Planning

October:

1. Sept or Oct After school program – Recreation

2. 10/10 Little League Contract Amendment - Recreation

3. Oct or Nov PH - Consideration and proposed approval of a resolution adopting Recreation fees and charges – Recreation

12. ADJOURNMENT

The next Regular City Council meeting is scheduled for September 12, 2017, at 6:00 p.m. in the Vintage Hall Board Room located at 465 Main Street.

This agenda was posted at City Hall, 1480 Main Street, and at Vintage Hall, 465 Main Street, St. Helena, California on August 17, 2017.

Cindy Black

Cindy Black, City Clerk

In Compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please call the City Clerk's Office (707) 967-2792. Notification 72 hours prior to the meeting as required by Section 202 of the Americans with Disabilities Act will enable the City to make reasonable arrangements to ensure accessibility to this meeting

CHALLENGING DECISIONS OF CITY ENTITIES

The time limit within which to commence any lawsuit or legal challenge to any quasi-adjudicative decision made by the City of St. Helena is governed by Section 1094.6 of the Code of Civil Procedure, unless a shorter limitation period is specified by any other provision, including without limitation Government Code section 65009 applicable to many land use and zoning decisions, Government Code section 66499.37 applicable to the Subdivision Map Act, and Public Resources Code section 21167 applicable to the California Environmental Quality Act (CEQA). Under Section 1094.6, any lawsuit or legal challenge to any quasi-adjudicative decision made by the City must be filed no later than the 90th day following the date on which such decision becomes final. Any lawsuit or legal challenge, which is not filed within that 90-day period, will be barred. Government Code section 65009 and 66499.37, and Public Resources Code section 21167, impose shorter limitations periods and requirements, including timely service in addition to filing.

If a person wishes to challenge the above actions in court, they may be limited to raising only those issues they or someone else raised at the meeting described in this notice, or in written correspondence delivered to the City of St. Helena, at or prior to the meeting. In addition, judicial challenge may be limited or barred where the interested party has not sought and exhausted all available administrative remedies.

SUPPLEMENTAL MATERIAL RECEIVED AFTER THE POSTING OF THE AGENDA

Any supplemental writings or documents distributed to a majority of the City Council regarding any item on this Agenda, after the posting of the Agenda, will be available for public review in the City Clerk’s Office located at 1480 Main Street, St. Helena, California, during normal business hours. In addition, such writings or documents will be made available on the City’s web site at https://sthelena.civicweb.net and will be available for public review at the respective meeting.

City of St. Helena
PROCLAMATION

PROCLAMATION SUPPORTING AN END TO HATE, BIGOTRY AND INTIMIDATION IN ALL ITS FORMS

WHEREAS, acts of hate, bigotry and intimidation have become much too frequent, and even daily, occurrences and are increasing at epidemic rates across our nation;

WHEREAS, such acts of hate, bigotry and intimidation incite fear in those members of the targeted group;

WHEREAS, history has tragically taught us what happens when people complacently stand by and permit acts of hate, bigotry and intimidation to occur;

WHEREAS, people often feel isolated, dispirited, and helpless to do anything individually to end acts of hate, bigotry and intimidation;

WHEREAS, such acts run contrary to the principles of respect, dignity and fairness that the St. Helena community values;

WHEREAS, diversity, tolerance and inclusiveness have long been hallmarks of the St. Helena community;

NOW THEREFORE BE IT RESOLVED, that the St. Helena City Council stands together with all people of goodwill across the nation to push back against the upsurge in hate motivated behavior and strongly condemns such behavior in all forms.

AND BE IT FURTHER RESOLVED, that the St. Helena City Council commits to helping to create a community in which the humanity and dignity of every person is respected, nurtured and preserved.

NOW, THEREFORE, BE IT PROCLAIMED, that the City of St. Helena pledges to be vigilant in defense of the rights of all people, proactive in our attempts to be a welcoming and inclusive community for all, and steadfast and vigorous in condemning all forms of hate and bigotry.

Dated: August 22, 2017

____

Alan Galbraith, Mayor
City of St. Helena

Report to the City Council
Council Meeting of August 22, 2017

Agenda Section: **Consent**

Subject: **2016-2017 Annual Report on the Housing Services Agreement with the Housing Authority of the City of Napa**

CEQA Determination: **Not a CEQA project**

Prepared By: Noah Housh, Planning & Community Improvement Director

Reviewed By: Mark Prestwich, City Manager

Approved By: Mark Prestwich, City Manager

BACKGROUND

Since fiscal year 2007-2008, the Housing Authority of the City of Napa (HACN) has served as the Housing Authority for the City of St. Helena on a contract basis, providing a variety of housing services including administering the contracts for the City's affordable housing units.

DISCUSSION

Attached is the annual report from the HACN identifying the primary services they have provided to the City during the most recent contract period (2016-2017). During this time frame, the HACN has monitored the regulatory agreements for the City's for-sale and for-rent affordable housing units; provided Section-8 rental assistance as well as disability rental assistance to families within the community; and provided significant expertise and technical assistance in drafting the City's loan and other regulatory agreements for the McCorkle self-help project as well as the Turley Flats affordable rental project. A letter and brief report from HACN Housing Manager Lark Ferrell summarizing this assistance is attached for the Council to review.

FISCAL IMPACT

The HACN provision of services contract costs the City of St Helena approximately $41,500 annually, which provides a very efficient and cost effective mechanism for ensuring proper regulatory compliance for affordable housing development and monitoring. No additional direct costs will result from the information in this report, as it is simply documenting the scope of services provided under the City's existing HACN agreement.

RECOMMENDED ACTION

It is recommend the City Council review the information provided and receive and file the report.

ATTACHMENTS

2017 Annual Housing Report

CITY OF NAPA

Housing Authority

July 14, 2017

Erica Ahmann Smithies, Interim City Manager
City of St. Helena
1480 Main Street
St. Helena, CA 94574

Re: 2016 - 2017 Housing Services Agreement Annual Report

Dear Ms. Smithies:

Attached please find the annual summary report of services provided under the Housing Services Agreement for the contract period July 1, 2016 through June 30, 2017.

During the contract period, the Housing Authority has provided regulatory agreement monitoring on for-sale and rental affordable housing units to ensure compliance with the City's affordable housing agreements.

The Housing Authority has also provided rental assistance to eight very-low income households funded through our Section 8 Housing Choice Voucher Program. One additional household received rental assistance under the Non-Elderly Disabled Program.

Additionally, Housing staff provided technical assistance and review of the City's loan and regulatory agreements for the McCorkle self-help housing project and the Turley Flats affordable rental housing project.

We look forward to working with you and your staff in the coming year. If you have any questions or concerns, please feel free to contact me at 257-9547 or Andrea Clark at 257-9254.

Sincerely,

Lark Ferrell
Housing Manager

cc: Noah Housh, Planning

Housing Authority: 1115 Seminary Street, Napa CA 94559 | Mailing Address: P.O. Box 660, Napa CA 94559 | (707) 257-9543 phone
(707) 257-9239 fax | TTY: 711 (Telecommunication Relay Service | www.cityofnapa.org/housing

HOUSING AUTHORITY'S
ANNUAL REPORT
HOUSING SERVICES AGREEMENT
JULY 1, 2016 - JUNE 30, 2017

CITY OF ST. HELENA

WORK PROGRAM ITEM	DESCRIPTION	WORK PRODUCED
A. COUNTYWIDE ACTIVITIES		
1. Section 8 Housing Services	HUD funded very low income rental housing assistance program administer Countywide – 88% City of Napa and 12% Countywide.	The Housing Authority of the City of Napa administers a $10.3 million Section 8 Housing Choice Voucher program providing 1098 rental assistance vouchers throughout the County of Napa. There are currently 8 households receiving rental assistance in the City of St. Helena with another 13 households on the Wait List.
		There is currently one St. Helena households that receives assistance under our Non-Elderly Disabled Persons Voucher Program (NEDS). These special vouchers provide rental assistance to non-elderly persons with disabilities and can be used to rent any market rate unit within Napa County.
		Each household receiving rental assistance vouchers meets annually with a Housing Technician to re-certify income eligibility and to review program guidelines and regulations. Each housing unit assisted undergoes an annual or a biennial Housing Quality Standards inspection by the Housing Inspector.
2. Continuum of Care	Act as lead agency for the Countywide Continuum of Care plan for delivery of Homelessness services and projects.	Attended monthly Continuum of Care Committee meetings to represent the City of St. Helena to secure funding from the Federal Department of Housing and Urban Development for the purposes of supporting homeless services and housing programs. This past year the Committee applied for and was awarded $715,483 in HUD Continue of Care Grants, a 4.0% increase over last year, to assist the homeless population with case management and rental assistance.
B. STANDARD HOUSING SERVICES		
1. Regulatory Agreement Monitoring	Provide required annual monitoring of regulatory agreement units.	Mailed out annual owner occupancy certifications to homeowners in the Wallis, Marietta, and Sherwin affordable housing units. Verified fire insurance placement and coverage and verified the payment of property taxes on each property. Updated database to reflect any changes.

HOUSING AUTHORITY'S
ANNUAL REPORT
HOUSING SERVICES AGREEMENT
JULY 1, 2016 - JUNE 30, 2017

WORK PROGRAM ITEM	DESCRIPTION	WORK PRODUCED
		Provided annual monitoring on the City's affordable rental housing agreements. Mailed out project compliance reports to owners and reviewed household information for compliance to regulatory agreements.
2. Review development projects	Technical assistance reviewing residential development plans to maximize affordable housing units.	Housing Staff reviewed the sales agreement of the McCorkle Street property to Our Town St. Helena. Housing staff also provided technical assistance on the City's loans to Our Town St. Helena and the regulatory agreements for the McCorkle self-help housing project.
3. Affordable Housing Regulatory Agreements	Review affordable housing agreements and make recommendations	Housing Staff worked with the developer, City, and the County on the Turley Flats project. Housing staff provided technical assistance and review of the City's loan documents and regulatory agreement.
4. Annual Meeting with Staff and Council	Report on year's activities	Housing staff has reported and discussed various housing topics and issues with the City staff throughout the year.
C. ADDITIONAL HOUSING SERVICES		
1. Other services as mutually agreed upon	TBD	In July 2016, the City was awarded a HOME Program Grant from the State of California in the amount of $500,000 to operate a owner-occupied rehabilitation program. Housing staff has been assisting City staff with preparing the required NEPA and grant contract set-up documents.
		Assisted City staff with the preparation and submittal of a CDBG grant application to the State of California for additional funding for the owner-occupied rehabilitation program.

Report to the City Council
Council Meeting of August 22, 2017

Agenda Section: **Consent**

Subject: **Memorandum of Understanding (MOU) between the City of St. Helena and the St. Helena Hospital, with the St. Helena Hospital Committing to Provide Health Care Services to Low-Income Individuals without Medicare or the State of California Medicaid Benefits**

CEQA Determination: **Not a CEQA project**

Prepared By: Cindy Black, City Clerk

Reviewed By: Mark Prestwich, City Manager

Approved By: Mark Prestwich, City Manager

BACKGROUND

St. Helena Hospital Regional Director Kimberly Meredith addressed the Mayor and City Council at the August 8, 2017 regular City Council meeting regarding the need for the MOU between the City and the Hospital. Mrs. Meredith noted the purpose of the MOU between the City and the Hospital is to provide charity care to uninsured or underinsured patients. By doing this, St. Helena Hospital is able to purchase outpatient drugs at a discounted price.

DISCUSSION

The 340B Drug Pricing Program is a US Federal program. This program requires drug manufacturers to provide outpatient drugs to covered entities at significantly reduced prices, allowing these entities to stretch scarce federal resources to more eligible patients and provide more comprehensive services. St Helena Hospital is considered a covered entity, as defined in the statute. One of the US Federal program requirements is the hospital must obtain an MOU with the City indicating that the hospital will dispense the discounted medication both to uninsured patients, patients covered by Medicare or private insurance. Also, this program will allow the hospital to provide additional help to the underinsured or the uninsured, especially high cost drugs i.e.

cancer treatment. The more the Hospital leverages these discounts the more assistance the Hospital can provide to our community.

FISCAL IMPACT
None

RECOMMENDED ACTION
Approve

ATTACHMENTS
Attachment 1 - MOU St. Helena Hospital
Attachment 2 - Resolution

Attachment 1

MEMORANDUM OF UNDERSTANDING BETWEEN
City of St. Helena
AND
St. Helena Hospital

THIS MEMORANDUM OF UNDERSTANDING ("MOU") is made this 1st day of January, 2017 by and between the undersigned representatives of the St. Helena. ("City"), whose administrative offices are located 1480 Main Street, St. Helena, CA 94574, and St. Helena Hospital, ("Hospital"), a non-profit, public benefit corporation organized and existing under the laws of the State of California, located 10 Woodland Rd, St. Helena, CA 94574. City and Hospital are collectively referred to as "Parties" and individually as "Party."

RECITALS

WHEREAS, Hospital is a not-for-profit hospital that provides a disproportionate share of healthcare services to the Medicare, the State for California Medicaid population, and supports many programs that benefit the indigent, uninsured, or underinsured population in the City;

WHEREAS, Hospital desires to participate in the drug discount program established under Section 340B of the Public Health Services Act (42 U.S.C. § 256b) (the "340B Program");

WHEREAS, in order to participate in the 340B Program, Hospital must enter into an agreement with a unit of government pursuant to which Hospital commits to provide health care services to low-income individuals without Medicare or the State of California Medicaid benefits at no reimbursement or considerably less than full reimbursement from these individuals;

WHEREAS, Hospital desires to make such a formal commitment to City; and

WHEREAS, City agrees to accept such commitment on behalf of the residents of City.

NOW, THEREFORE, in consideration of the mutual agreements and covenants contained herein, and for other good a valuable consideration, the receipt and sufficiency of which hereby are acknowledged, it is mutually agreed , by and between the Parties to this MOU, as follows:

1. Commitment of Hospital to Provide Indigent Care.

During the term of this MOU, Hospital agrees to continue its historical commitment to the provision of health care to indigent, uninsured, and underinsured patients by adhering to the Hospital Community Benefit Plan. During the fiscal year ending January 1, 2017, Hospital provided at least $1 million in traditional charity care. Pursuant to its commitment to continue to provide indigent care, it is Hospital's intention that indigent care provided during the term of this MOU will be consistent with its historical commitment, a minimum of $1 million per year. In any event, Hospital will ensure that all patients presenting to its Emergency Department shall continue to receive necessary care, as required by law, regardless of ability to pay.

2. Acceptance and Acknowledgements of City

a. City accepts the commitment of Hospital set forth above;

b. City hereby acknowledges that the health care services provided by Hospital mnemonics hereunder are in the public interest and, based on Hospital's representations, are being provided to indigent, uninsured, and underinsured individuals who are not entitled to Medicare or the State of California Medicaid benefits, and

c. Based on Hospital's representations, City acknowledges that Hospital is providing these services at either no reimbursement or at considerably less than full reimbursement from the patients.

3. **Representations of Hospital,** Hospital, represents that as of the date hereof:

a. Hospital, constitutes a non-profit corporation duly organized and validly existing in good standing under the laws of the State of California with the corporate power and authority to enter into and perform its obligations under this MOU; and

b. Hospital is a tax-exempt corporation of under 26 U.S. Code Section 501(c)(3) of the Internal Revenue Code of the United States, as amended and under applicable laws of the State of California.

4. Term and Termination.

The term of this MOU shall commence on the date set forth above and shall continue until terminated by either Party upon not less than sixty (60) days prior written notice to the other Party.

5. Notice.

All notices, requests, demands, amendments, modifications, bills, or payments under this MOU shall be in writing. Notice shall be sufficient for all such purposes if personally delivered or sent by first class, registered or certified mail; or sent by facsimile transmission with written confirmation of receipt by recipient. Notice is effective upon personal delivery, two days after deposit in mail, or upon confirmed receipt by recipient.

If sent to City of St. Helena
1480 Main Street
St. Helena, CA 94574
Attention: City Manager

If sent to St. Helena Hospital
10 Woodland Dr
St. Helena, CA 94591
Attention:

6. Governing Law.

This Agreement shall be governed by and construed ·in accordance with the laws of the State of California.

7. Amendment.

No supplement, amendment, or modification of this MOU shall be binding unless it is in a writing duly authorized and signed by the parties to this MOU.

8. Headings.

The headings in this MOU are included for convenience only and shall neither affect the construction or interpretation of any provision in this MOU nor affect any of the rights or obligations of the parties to this MOU.

9. Execution in Counterparts.

This MOU may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

10. Authorization.

Each individual executing this MOU, or its counterpart, on behalf of the respective Party, warrants that he/she is authorized to do so and that this MOU constitutes the legally binding obligation of the entity which he/she represents.

11. Dispute Resolution.

The Parties agree to make a good faith effort to resolve any dispute arising from or relating to this MOU through mediation prior to commencing litigation. Within sixty (60) days following a written request by either Party to mediate a dispute that has not been resolved by informal negotiation, the Parties shall mutually agree upon a mediator, schedule a mediation, and shall share the costs of mediation equally, except costs incurred by each Party for representation by legal counsel.

IN WITNESS WHEREOF, Hospital and the City have executed this MOU as of the day and year first written above by their duly authorized representatives.

ST. HELENA HOSPITAL

Name: ____

Title: ____

Attachment 1

CITY OF ST. HELENA

Name: Mark Prestwich, City Manager

____

Date: ____

Attest:

Name: Cindy Black, City Clerk

____

Date: ____

Approved as to form:

Name: Thomas B. Brown, City Attorney

____

Date: ____

Attachment 2

CITY OF ST. HELENA

RESOLUTION NO. 2017-

Authorize the City Manager to Execute a Memorandum of Understanding (MOU) between the City of St. Helena and the St. Helena Hospital with the St. Helena Hospital Committing to Dispense Discounted Medication Both to Uninsured Patients, Patients Covered by Medicare or Private Insurance

RECITALS

A. The 340B Drug Discount Program is a US federal government program created in 1992; and

B. The 340B Drug Discount Program requires drug manufacturers to provide outpatient drugs to covered entities at significantly reduced prices, allowing these entities to stretch scarce federal resources to more eligible patients and provide more comprehensive services; and

C. St Helena Hospital is considered a covered entity, as defined in the statute. One of the US Federal program requirements is the hospital must obtain an MOU with the City indicating that the hospital will dispense the discounted medication both to uninsured patients, patients covered by Medicare or private insurance.

RESOLUTION

The City Council of the City of St. Helena hereby resolves as follows:

1. Authorizes the City Manager to execute the Memorandum of Understanding between the St. Helena Hospital and the City of St. Helena.

Approved at a Regular Meeting of the St. Helena City Council on August 22, 2017, by the following vote:

Mayor Galbraith: ________
Vice Mayor White: ________
Councilmember Koberstein: ________
Councilmember Dohring: ________
Councilmember Ellsworth: ________

APPROVED: ATTEST:

Alan Galbraith, Mayor

Cindy Black, City Clerk

Report to the City Council
Council Meeting of August 22, 2017

Agenda Section: **Consent**

Subject: **Consideration and proposed approval of a resolution approving an agreement with the Housing Authority of the City of Napa (HACN) to administer the HOME Grant funded owner-occupied rehabilitation program**

CEQA Determination: **Exempt from the requirements of CEQA under the "General Rule", Section 15061 (b)(3), in that it can be seen with certainty that the proposed action will have no impact on the environment.**

Prepared By: Noah Housh, Planning & Community Improvement Director

Reviewed By: Mark Prestwich, City Manager

Approved By: Mark Prestwich, City Manager

BACKGROUND

Since Fiscal Year 2007/2008, the City has contracted with the Housing Authority of the City of Napa (HACN) to administer housing authority services for St. Helena.

On June 23, 2015, the City Council authorized the City Manager to file an application to the California Department of Housing and Community Development (HCD) for an owner-occupied low-income household rehabilitation program for up to $500,000 in grant funds. This grant was intended to provide no interest, voluntary payment loans to assist low-income home owners with making needed repairs to their homes. In filing this application it was identified that, if awarded, City staff would then work with HACN to use the funds to create and administer the program.

In September 2016, the City was awarded a $500,000 State HOME Investment Partnership Program Grant (HOME) for an owner-occupied residential rehabilitation program, which will assist low-income homeowners whose primary residences are in need of repairs, improvements or reconstruction necessary to meet federal, state, and local building codes.

On June 6, 2017, the Housing Authority's Board of Commissioners authorized the execution of the Intergovernmental Agreement for Services between the City of St. Helena and the HACN and a draft agreement was prepared.

DISCUSSION

The proposed agreement will authorize HACN to act as the "Program Operator" specifically for the HOME owner-occupied rehabilitation program and cover the following services:

- Process applications and select program participants
- Verify household income
- Inspect and document dwelling conditions
- Develop bid specifications
- Conduct bid walks and pre-construction conferences
- Prepare Minor Rehabilitation Residential Environmental Reviews
- Prepare contracts and loan documents
- Monitor construction activities
- Prepare payment requests and lien waivers
- Prepare and recommend approval of change orders
- Inspect completed work
- Prepare and record Notice of Completion
- Prepare project closing documents and draw requests to the State
- Conduct program outreach and marketing
- Monitor annual occupancy of homes with loans
- Prepare reports required by the HOME Program, including the annual and quarterly performance and program income reports, and any applicable labor reports.

Although HACN administers the program and will provide recommendations, the City will have ultimate approval of applicant eligibility, scope of work, amount of loans, change orders, etc.

HACN has successfully managed the owner-occupied and rental housing rehabilitation program and lead-based paint remediation program for the City of Napa since 1991. The HACN is currently under contract to operate a variety of Owner Occupied Rehab Programs funded with either CDBG, HOME, and/or CalHome Program funds for the cities of Calistoga and American Canyon and the Town of Yountville.

All of the tasks listed above are necessary to create and implement the HOME owner-occupied rehabilitation program.

FISCAL IMPACT

Under the terms of the State's Standard Agreement, $12,500 of the $500,000 grant is designated for general program administration. HACN is proposing to use two-thirds of this amount ($8,333) to cover its administrative costs; the remaining one-third will be available to the City for these purposes ($4,167). Also per the Standard Agreement, $94,354 of the $500,000 grant is proposed to be used for HACN's activity delivery costs. Based on this, the total contract amount is $102,687 to be paid over the term of the services agreement, for both program activity costs and administration.

Therefore, the only direct fiscal impact to the City will be in the staff time to administer the financial elements of the program, and to administer the future revolving loan program after re-payment of the loans begin.

RECOMMENDED ACTION

It is recommended the City Council adopt a resolution authorizing the City Manager to execute the Intergovernmental Agreement for Services with the Housing Authority of the City of Napa to administer the HOME funded owner-occupied rehabilitation program.

ATTACHMENTS

Attachment 1-CC HOME Program Resolution
Attachment 2 Exhibit A - St Helena - HOME Program Services Agreement_
Attachment 3 HCD Grant-Fully Executed Contract with Exhibits

CITY OF ST. HELENA

RESOLUTION 2017 __

AUTHORIZING THE CITY MANAGER TO EXECUTE THE INTERGOVERNMENTAL AGREEMENT FOR SERVICES WITH THE HOUSING AUTHORITY OF THE CITY OF NAPA FOR THE HOME PROGRAM GRANT ADMINISTRATION AND ACTIVITY DELIVERY

RECITALS

WHEREAS, the City of Saint Helena was awarded a HOME Investments Partnership Program grant in the amount of $500,000 from the State of California Department of Housing and Community Development for owner-occupied residential rehabilitation program to assist low-income homeowners whose primary residences are in need of repairs (the “HOME Grant”); and

WHEREAS, since fiscal year 2007-08, Housing Authority staff has provided a variety of supportive housing services to the City of Saint Helena; and

WHEREAS, the Housing Authority has experience administering State and federal grants; and

WHEREAS, the City of Saint Helena and the Housing Authority both desire to have the Housing Authority deliver an owner occupied rehabilitation loan program and administer the HOME Grant for the City of St. Helena; and

RESOLUTION

Therefore, The City Council of the City of Saint Helena hereby resolves as follows:

1. The City Council finds that the facts set forth in the recitals to this Resolution are true and correct, and establish the factual basis for the Council’s adoption of this Resolution.

2. Authorizes the City Manager to execute the Intergovernmental Agreement for Services with the Housing Authority of the City of Napa, attached as Exhibit A and incorporated by reference, for the Housing Authority to deliver an owner occupied rehabilitation loan program and administer the HOME Grant for the City of Saint Helena on a time and materials basis up to $102,687.

3. This Resolution shall take effect immediately upon its adoption.

ATTACHMENT 1

Approved at a Regular Meeting of the Saint Helena City Council on August 22, 2017, by the following vote:

Mayor Galbraith:

Vice Mayor White

Councilmember Dohring

Councilmember Ellsworth

Councilmember Koberstein

APPROVED:	ATTEST:
______________________________	________________________
Alan Galbraith, Mayor	Cindy Black, City Clerk

EXHIBIT A

HOME PROGRAM
INTERGOVERNMENTAL AGREEMENT
FOR SERVICES

THIS INTERGOVERNMENTAL AGREEMENT is made and entered into under the joint exercise of powers provisions of the Government Code of the State of California, California Government Code Section 6500-6536 this ___ day of _____, 2017 by and between the City of St. Helena ("Grantee") and the Housing Authority of the City of Napa, Subrecipient of the Grantee (hereinafter "Program Operator"). Grantee and Program Operator are public entities organized and operating under the laws of the State of California and each is a public entity as defined in California Government Code Section 6500. Grantee and Program Operator may be referred to collectively as "the Parties."

A. The Grantee has applied for and received funds from the California State Department of Housing and Community Development HOME Investment Partnerships Program (HOME Program) funding allocated to the State from the U.S. Department of Housing and Urban Development ("HUD") under Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, in federal implementing regulations set forth in Title 24 of the Code of Federal Regulations, part 92, and in Title 25 of the California Code of Regulations commencing with section 8200.

B. The Grantee wishes to engage the Program Operator to assist the Grantee in utilizing such funds.

NOW, THEREFORE, it is agreed between the parties as follows:

1. SCOPE OF SERVICE

A. Activities. The Program Operator will be responsible for administering a HOME Investment Partnerships Grant, hereinafter referred to as the "HOME" Owner Occupied Rehabilitation Program," or the "Program," in the City of St. Helena, in a manner satisfactory to the Grantee and consistent with all standards required by the 15-HOME-10901 Standard Agreement between the Grantee and the California State Department of Housing and Community Development or any additional Standard Agreements for any future HOME awards received by Grantee during the term of this Agreement (collectively "the Standard Agreement"). The Program Operator is responsible to the Grantee for all provisions of the Standard Agreement including monitoring the Grantee for conformity with the Standard Agreement provisions. The Program will include the following activities eligible under the HOME Program Grant:

(1) Program Delivery Activities. Program Operator will provide the following delivery activities:

Loan application processing and selection of loan recipients, income determination, inspecting and documenting conditions of dwellings, developing bid specifications, conducting bid walks, pre-construction conference, preparing Minor Rehabilitation Residential Environmental Reviews, preparing contracts and loan documents, monitoring construction activities, preparing payment requests and lien waivers, preparing and recommending approval of change orders, inspecting completed work, preparing and recording Notices of Completion, and preparing project closing documents and draw requests, and providing technical assistance, until all original HOME grant funds are expended.

Determination of applicant eligibility, scope of work, amount of loans, and change orders, etc. shall be the decision of the Grantee based upon the recommendation of the Program Operator.

(2) General Administration. The Program Operator shall provide the following administrative activities: program outreach and marketing, annual occupancy monitoring,

and preparation of reports required by the HOME Program, including quarterly and annual Program Income Reports and Performance Reports, and any applicable labor reports.

B. Levels of Accomplishment. In addition to the normal administrative services required as part of this Agreement, the Program Operator agrees to provide the following levels of program services:

The Program Operator shall provide technical assistance and rehabilitation loans to eight to ten households in the city of St. Helena.

C. Staffing. The Program Operator shall provide staff to operate the programs. Staff assigned to the programs may include a Housing Rehabilitation Specialist, Affordable Housing Representative, Housing Secretary, Office Assistant, Management Analyst, Housing Inspector, Housing Specialist, and Housing Manager.

D. Performance Monitoring. The Grantee will monitor the performance of the Program Operator against goals and performance standards required herein. Substandard performance including, without limitation, as provided in Section 6.E, herein, as solely determined by the Grantee will constitute material breach of, and non-compliance with this Agreement. If action to correct such substandard performance is not taken by the Grantee within 15 calendar days after being notified in writing by the Grantee, Grantee will be entitled to suspend and/or terminate this Agreement with 15 calendar days notice.

2. TIME OF PERFORMANCE. This Agreement shall start on the ____ day of _____, 201_, and end on the ___ day of __________, 20__ for a term of two (2) years. The term of this Agreement and the provisions herein shall be extended to cover any extensions of the 15-HOME-10901 Standard Agreement.

3 BUDGET.

Rehabilitation Activity Delivery	$ 94,354
Program Administration	$ 8,333
Total for Term of Agreement	$102,687

Grantee will compensate Program Operator for the performance of services under this Agreement in an amount not to exceed One Hundred Two Thousand Six Hundred Eighty Seven dollars ($102,687) as outlined above. Grantee may require a more detailed budget breakdown from Program Operator of the cost of services under this Agreement, and the Program Operator shall provide such supplementary budget information within 30 calendar days in the form and content prescribed by the Grantee.

4. PAYMENT. It is expressly agreed and understood that the total amount to be paid by the Grantee under this Agreement shall not exceed $102,687 for the payment of eligible expenses shall be made against the line item budgets specified in Section 3, herein, and in accordance with performance on a time and material basis. Expenses for general administration shall also be paid against the line item budget specified in Section 3 and in accordance with performance. The Program Operator shall comply with the provisions in OMB Circular A-87 regarding charges for services and will charge Grantee for actual costs rather than a fixed fee. Program Operator shall not be entitled to any adjustment in the Contract price for additional services without Grantee's prior written authorization.

5. NOTICES. Communication and details concerning this Agreement shall be directed to the following contract representatives:

Grantee:	Program Operator:
City of St. Helena	Housing Authority of the City of Napa
Mark Prestwich, City Manager	Lark Ferrell, Housing Manager
1480 Main Street	P. O. Box 660
St. Helena, CA 94574	Napa, CA 94559

707-967-2792 707-257-9543

6. SPECIAL CONDITIONS.

A. General Compliance. The Program Operator agrees to comply with the requirements of 24 CFR 92 and Section 8200 through, and including, Section 8220 of Title 25 of the California Code of Regulations concerning the HOME Investment Partnerships Program, and California Health and Safety Code Section 50886 except that: (1) the Program Operator does not assume the recipient's environmental responsibilities described in 24 CFR 50 and 58, and (2) the Program Operator does not assume the recipient's responsibility for initiating the review process under the provisions of 24 CFR Part 52. The Program Operator also agrees to comply with all other applicable Federal, state and local laws, regulations, and policies governing the funds provided under this Agreement.

B. Hold Harmless. The Program Operator shall hold harmless, defend and indemnify the Grantee from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the Program Operator's performance or nonperformance of the services or subject matter called for in this Agreement.

C. Workers' Compensation. The Program Operator shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this Agreement.

D. Amendments. The Grantee or Program Operator may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of each organization, and approved by the Grantee's governing body. Such amendments shall not invalidate this Agreement, nor relieve or release the Grantee or Program Operator from its obligations under this Agreement.

The Grantee may, in its discretion, amend this Agreement to conform with Federal, state or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both Grantee and Program Operator.

E. Suspension or Termination. In accordance with 24 CFR 85.43, the Grantee may suspend or terminate this Agreement if the Program Operator materially fails to comply with any terms of this Agreement, which include (but are not limited to) the following:

Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;

Failure, for any reason, of the Program Operator to fulfill in a timely and proper manner its obligations under this Agreement;

Ineffective or improper use of funds provided under this Agreement; or

Submission by the Program Operator to the Grantee reports that are incorrect or incomplete in any material respect.

In accordance with 24 CFR 85.44, this Agreement may also be terminated for convenience by either the Grantee or the Program Operator, in whole or in part, by setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination, the Grantee determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the

Grantee may terminate the award in its entirety. Under a termination for convenience, Program Operator will be entitled to compensation for services performed up to the notice of termination, Unless Grantee directs otherwise, Program Operator shall refrain from providing any, and will not be entitled to compensation for, post-termination services.

7. ADMINISTRATIVE REQUIREMENTS.

A. Documentation and Record-Keeping.

(1) Records to be maintained. The Program Operator shall maintain all documents and records required by the Federal regulations specified in 24 CFR Part 92.508 and State regulations specified in 8216 of Title 25 of the California Code of Regulations that are pertinent to the activities to be funded under this Agreement. Title to and ownership of all such documents and records shall be in Grantee, which shall at all times be entitled to access to, and possession and copies of, such documents and records. Such documents and records shall include, but not be limited to:

(a) Records providing a full description of each activity undertaken;

(b) Records required to determine the eligibility of activities;

(c) Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with HOME assistance;

(d) Records documenting compliance with the fair housing and equal opportunity components of the HOME program;

(e) Financial records as required by 24 CFR Part 570.502 and OMB Circular A-110;

(2) Retention. The Program Operator shall retain all records pertinent to expenditures incurred under this Agreement for a period of five (5) years after the termination of all activities funded under this Agreement. Records for any displaced person must be kept for three (3) years after s/he has received final payment or five (5) years after the termination of all activities funded under this Agreement, whichever occurs later. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the five-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the five-year period, whichever occurs later.

(3) Client Data. The Program Operator shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to Grantee monitors or their designees for review upon request.

(4) Disclosure. The Program Operator understands that client information collected under this Agreement is private and the use or disclosure of such information, when not directly connected with the administration of the Grantee's or Program Operator's responsibilities with respect to services provided under this Agreement, is prohibited unless written consent is obtained from such persons receiving service and, in the case of a minor, that of responsible parent/guardian. Notwithstanding the foregoing, Program Operator understands and agrees that such information is not private or confidential as to Grantee in Grantee's administration and oversight of Program Operator's responsibilities under this Agreement, and that Program Operator shall at all reasonable times provide

Grantee with complete access to and complete copies of such information, including without limitation, all documents, records and materials retained by Program Operator, as determined to be necessary by Grantee.

(5) Close-Outs. The Program Operator's obligation to the Grantee shall not end until all close-out requirements are completed.

(6) Audits, Access and Inspections. Notwithstanding any other provision of this Agreement, all Program Operators documents, information , books, records and other materials with respect to any matters covered by this shall be made available to the Grantee, California State Department of Housing and Community Development, their designees or the Federal and State Government, at any time during normal business hours, as often and as promptly as the Grantee or the California State Department of Housing and Community Development deems necessary, to audit, examine, copy and make excerpts or transcripts of all relevant information and data. Any deficiencies noted in audit reports must be fully cleared by the Program Operator to comply with the above audit requirements will constitute a violation of this Agreement and may result in the withholding of future payments. The Program Operator hereby agrees to comply with current Grantee policy concerning Program Operator's year-end audit/financial statement requirements, as applicable, in OMB Circular A-133.

C. Reporting and Payment Procedures

(1) Program Income. The Grantee will collect all payments from the loan recipients who are obligated to make payments under the terms of their loans. The Grantee will establish policies and procedures for the administration and utilization of Program Income as defined by the California Department of Housing and Community Development received. All revenue received from HOME funded activities will be deposited into a revolving loan account.

(2) Payment Procedures. The Grantee will pay the Program Operator funds available under this Agreement based upon information submitted by the Program Operator and consistent with any approved budget and Grantee's policy concerning payments. Payments will be made for eligible expenses actually incurred by the Program Operator.

Grantee will be responsible for disbursing payments to subcontractors based upon the Program Operator's recommendation and consistent with the Grantee's policy concerning payments.

(3) Progress Report. The Program Operator shall submit regular Progress Reports to the Grantee in the form and content as required by the Grantee.

D. Procurement.

(1) OMB Standards. Unless specified otherwise within this agreement, the Program Operator shall procure all materials, property, or services in accordance with the requirements of 24 CFR 92.505.

(2) Travel. The Program Operator shall obtain prior written approval from the Grantee for any travel using funds provided under this Agreement.

8. RELOCATION, REAL PROPERTY ACQUISITION AND ONE-FOR-ONE HOUSING REPLACEMENT. The Program Operator agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at

49 CFR Part 24; and Section 104 (d) of the Housing and Community Development Act of 1974, as amended, with implementing regulation at 24 CFR 92, and applicable State HOME Regulations.

9. PERSONNEL AND PARTICIPANT CONDITIONS.

A. Civil Rights.

(1) Compliance. The Program Operator agrees to comply with all applicable local and state law including, but not limited to, 14-S01, the California Fair Employment and Housing Act and 14-F03, the California Civil Rights Act of 1964, as amended, and with Title VI of the Civil Rights Act of 1964, as amended, Title VII of the Civil Rights Act of 1968, as amended, Section 104 (b) and Section 109 of Title I of the Housing and Community Development Act of 1974, as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1976, Executive Order 11063, and with Executive Order 11246 as amended by Executive Orders 11375 and 12086.

(a) The Program Operator further certifies that its physical facilities are accessible in compliance with Section 504 of the Rehabilitation Act of 1973.

(b) The Program Operator certifies that it has made provisions in its Program for communicating with hearing and speech impaired persons.

(c) The Program Operator certifies that its advertising and outreach materials contain the Program Operator's TDD/TTY number or the telephone number of the California Relay Service.

(2) Nondiscrimination. The Program Operator will not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age, marital/familial status, or status with regard to public assistance. The Program Operator will take affirmative action to insure that all employment practices are free from such discrimination. Such employment practices include, but are not limited to, the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Program Operator agrees to post in conspicuous places, available to employees and applicants for employment, setting forth the provisions of this nondiscrimination clause.

(a) The Program Operator will conduct an analysis of racial and ethnic participation rates in the HOME program, as well as the participation rates by female-headed households and persons with disabilities where applicable, to determine whether any group is actually, or is projected to be, participating at levels below the representation of these groups in the City's population, based on general population data available from the U.S. Census. Program Operator will develop an affirmative marketing strategy to promote interest among such under represented groups in the Grantee's programs. The Program Operator will include information in its performance report as to the affirmative outreach methods it has employed within the past year in compliance with this provision.

(3) Land Covenants. The Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and 24 CFR 570.601 and 602. In regard to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Agreement, the Program Operator shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or improvements erected thereon, providing that the Grantee and the United States are beneficiaries of and entitled to enforce such covenants. The Program Operator, in undertaking its obligation to carry out

the Program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not, itself, so discriminate.

(4) Section 504. The Program Operator agrees to comply with any Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 706), which prohibits discrimination against the handicapped in any Federally assisted program. The Grantee shall provide the Program Operator with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

B. Affirmative Action.

(1) Approved Plan. The Program Operator agrees that it shall be committed to carry out, pursuant to the Grantee's specifications, an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1965.

(2) M/WBE. The Program Operator will use its best efforts to afford minority-women-owned business enterprises (M/WBE) the maximum practicable opportunity to participate in the performance of this Agreement. As used in this Agreement, the term "minority and women-owned business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The Program Operator may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an Independent investigation.

(3) Access to Records. The Program Operator shall furnish and cause each of its own subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the Grantee, HCD, HUD or its agent, or other authorized State and Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

(4) Notifications. The Program Operator 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 agency contracting officer, advising the labor union of worker's representative of the Grantee's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) EEO/AA Statement. The Program Operator will, in all solicitations or advertisements for employees placed by or on behalf of the California State Department of Housing and Community Development, state that it is an Equal Opportunity or Affirmative Action employer.

(6) Subcontract Provisions. The Program Operator will include the provisions of Paragraphs 9.A, Civil Rights, and 9.B, Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own divisions or subcontractors.

C. Employment Restrictions.

(1) Prohibited Activity. The Program Operator is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; sectarian or religious activities; lobbying, political patronage, and nepotism activities.

(2) Labor Standards. The Program Operator agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours and Safety Standards Act, the Copeland "Anti-Kickback" Act (40 U.S.C. 276a-276a-5; 40 U.S.C. 276c) and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The Program Operator shall maintain documents of this part. Such documentation shall be made available to the Grantee for review upon request.

(3) The Program Operator shall, except with respect to the rehabilitation or construction of residential property containing (12) twelve or more HOME-assisted units, comply with HUD requirements pertaining to such contracts and the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 1, 3, 5 and 7 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided, that if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the Program Operator of its obligation, if any, to require payment of the higher wage. The Program Operator shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirement of this paragraph.

(4) Housing and Urban Development Act of 1968 "Section 3" Clause.

(a) Compliance. Compliance with the provisions of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701, the regulations set forth in 24 CFR 135, and all applicable rules and orders issued prior to the execution of this Agreement, shall be a condition of the Federal financial assistance provided under this Agreement and binding upon Grantee, the Program Operator and any of the sub recipients and subcontractors. Failure to fulfill these requirements shall subject the Grantee, the Program Operator and any of the Program Operator's subcontractors, their successors and assigns, to those sanctions specified by the Agreement through which Federal assistance is provided. The Program Operator certifies and agrees that no contractual or other disability exists which would prevent compliance with these requirements.

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

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

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

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

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

(c) Subcontracts. The Program Operator will include the Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the California State Department of Housing and Community Development. The Program Operator will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR 135, and will not let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

(5) Drug Free Workplace. The Program Operator agrees to comply with the requirements of the Secretary of the Department of Housing and Urban Development in accordance with the Drug-Free Workplace requirements and all other applicable Federal, state and local laws and regulations pertaining to drug-free workplace standards, insofar as those acts apply to the performance of this Agreement. The Program Operator shall maintain a written Drug-Free Workplace policy. Such policy shall be made available to the Grantee for review upon request.

D. Conduct.

(1) Assignability. The Program Operator shall not assign or transfer any interest in this Agreement without the prior written consent of the Grantee. Any unauthorized assignment shall be void and unenforceable. Claims for money due to become due to the Program Operator from the Grantee under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished to the Grantee.

(2) Subcontracts.

(a) Approvals. The Program Operator shall not enter into any subcontracts with any agency or individual in the performance of this Agreement without the prior written consent of the Grantee.

(b) Monitoring. The Program Operator will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports provided to Grantee and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

(c) Content. The Program Operator shall cause all of the provisions of this Agreement in its entirety to be included in a made a part of any subcontract executed in the performance of this Agreement.

(d) Selection Process. The Program Operator shall undertake to insure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis. Executed copies of all subcontracts shall be forwarded to the Grantee along with documentation concerning the selection process.

(3) Hatch Act. The Program Operator agrees that no funds provided, nor personnel employed under this Agreement shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V United States Code.

(4) Conflict of Interest. The Program Operator agrees to abide by the provisions of 24 CFR 85.36 with respect to conflicts of interest for procurement of program and with 24 CFR 84.42 for procurement of services. In all cases not governed by these two sections, the Grantee and Program Operator shall comply with 24 CFR 92.356. The Program Operator covenants that in the performance of this Agreement no persons having such a financial interest shall be employed or retained by the Program Operator hereunder. These conflict of interest provisions apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the Grantee, or of any designated public agencies receiving funds under the HOME program.

(5) Lobbying. The Program Operator hereby certifies that:

(a) No Federal or State appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative Agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

(b) If any funds other than Federal or State appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative Agreement, Program Operator will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions;

(c) Program Operator will require that the language of paragraph (d) of this certification be included in the award documents for all sub awards at all tiers (including subcontracts, sub grants, and contracts under grants, loans, and cooperative Agreements) and that all Program Operator subcontractors shall certify and disclose accordingly; and

(d) Lobbying Certification - Paragraph d. This certificate is a material representation of fact upon which reliance was placed when this Agreement was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less that $10,000.00 and not more than $100,000.00 for each such failure.

(6) Faith-based Activities. The Program Operator shall comply with the requirements of 24 CFR 92.257 which provide, in part, that “Organizations that are directly funded under the HOME Program may not engage in inherently religious activities, such as worship, religious instruction, or proselytization, as part of the assistance funded under this part.

10. ENVIRONMENTAL CONDITIONS.

A. The Program Operator agrees to comply with National Environment Policy Act (NEPA) contained in 42 USC 4321-4347 and the implementing regulations at 24 CFR 50 and 58. Not actions by any party (including the Grantee, the developer, owner, or sponsor) shall be undertaken for any activity that would have adverse environmental impact or limit the choice or reasonable alternatives under 24 CFR 58.22 until HUD or HCD has issued an environmental clearance.

B. Flood Disaster Protection. In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), the Program Operator shall assure that for activities located in an area identified by FEMA as having special flood hazards, flood insurance under the National Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

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

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

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

11. INDEPENDENT ENTITIES. Although this Agreement is a Joint Powers Agreement as authorized by California Government Code 6500 *et seq*, City and Housing Authority are independent entities, and City and Program Operator and the respective officers, agents and employees of City and Program Operator are not, and shall not be deemed, employees of the other agency for any purpose including, but not limited to, worker’s compensation and employee benefits.

12. PRIVILEGES, IMMUNITIES AND OTHER BENEFITS. In accordance with California Government Code section 6513, all of the privileges and immunities from liability, all exemptions from laws, ordinances and rules, and all pension, relief, disability, workmen's compensation, and other benefits which apply to the activity of the trustees, officers, employees or agents of the Parties when performing their functions within the territorial limits of their respective Public Agencies, shall apply to them to the same degree and extent while engaged in the performance of any of their functions and duties associated with performance of this Agreement.

GRANTEE:
City of St. Helena

____
Mark Prestwich, City Manager

Attest:

____
Cindy Black, City Clerk

Approved As To Form:

____
Thomas B. Brown, City Attorney

PROGRAM OPERATOR:
Housing Authority of the City of Napa

____
Rick Tooker, Deputy Executive Director

Attest:

____
Dorothy Roberts, Authority Deputy Secretary

Approved As To Form:

____
Michael Barrett, Authority General Counsel

STATE OF CALIFORNIA
STANDARD AGREEMENT
STD 213 (Rev 06/03)

AGREEMENT NUMBER
15-HOME-10901
REGISTRATION NUMBER

1. This Agreement is entered into between the State Agency and the Contractor named below:

STATE AGENCY'S NAME
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

CONTRACTOR'S NAME
City of St. Helena

2. The term of this Agreement is: **Upon HCD Approval through 06/30/2034**

3. The maximum amount of this Agreement is: **$500,000.00**

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.

Exhibit A - Authority, Purpose and Scope of Work	3
Exhibit B - Set-up and Payment Provisions	3
Exhibit C - State of California General Terms and Conditions*	GTC - 610
Exhibit D - HOME Terms and Conditions	21
Exhibit E - Special Terms and Conditions	1
Exhibit F - Additional Provisions	0
TOTAL NUMBER OF PAGES ATTACHED:	28 pages

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 http://www.documents.dgs.ca.gov/ols/GTC-610.doc

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR

CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership,etc)
City of St. Helena

BY (Authorized Signature)

DATE SIGNED (Do not type) 9/6/16

PRINTED NAME AND TITLE OF PERSON SIGNING
Jennifer Phillips, City Manager

ADDRESS
1480 Main Street, Saint Helena, CA 94574

STATE OF CALIFORNIA

AGENCY NAME
Department of Housing and Community Development

BY (Authorized Signature) Synthia Rhinehart

DATE SIGNED (Do not type) 9/14/16

PRINTED NAME AND TITLE OF PERSON SIGNING
Lindy Suggs, Contracts Manager, Business & Contract Services Branch

ADDRESS
2020 W. El Camino Ave., Sacramento, CA 95833

California Department of General Service Use Only

SEP 14 2016

X **Exempt per: SCM 4.04.A.3 (DGS Memo dated 6/12/81)**

EXHIBIT A

AUTHORITY, PURPOSE AND SCOPE OF WORK

1. **Authority & Purpose**

This Standard Agreement (hereinafter "Agreement") will provide official notification of the conditional reservation of funds under the State of California's administration of the Home Investment Partnerships Program (hereinafter "HOME") by the Department of Housing and Community Development (hereinafter the "Department") pursuant to the provisions of the Cranston-Gonzalez National Affordable Housing Act (42 USC 12741 et seq.), the HOME Investment Partnerships Program (Title 24 Code of Federal Regulations Part 92), California Health and Safety Code Section 50896, and Title 25, Division 1, Chapter 7, Subchapter 17 of the California Code of Regulations, Sections 8200 through 8220 (the "State Regulations"), all as amended and in effect from time to time. The HOME Program is listed in the Catalog of Federal Domestic Assistance (CFDA) as 14.239 - HOME Investment Partnerships Program. In accepting this conditional reservation of funds, the Contractor (sometimes referred to herein as the "HOME Recipient") agrees to comply with the terms and conditions of this Agreement, the Notice of Funding Availability (NOFA) under which the HOME Recipient applied, the representations contained in the HOME Recipient's application for this funding allocation (the "Application"), and the requirements of the authorities cited above.

2. **Scope of Work**

A. HOME Recipient shall perform the Scope of Work (hereinafter "Work") as described in the Application, which is on file at the Department, Division of Financial Assistance, 2020 West El Camino Ave., Suite 650, Sacramento, California, and which is incorporated herein by reference. All written materials or alterations submitted as addenda to the original Application and which are approved in writing by a Contract Management Section Manager or higher Departmental official, as appropriate, are hereby incorporated as part of the Application. The Department reserves the right to require the HOME Recipient to modify any or all parts of the application in order to comply with HOME Investment Partnerships Program federal and/or State Regulations or requirements. The Department reserves the right to review and approve all Work to be performed by the HOME Recipient in relation to this Agreement. Any proposed revision to the Work must be submitted in writing for review and approval by the Department. Any approval shall not be presumed unless such approval is made by the Department in writing.

B. The Work shall consist of:

Project Location	Type of Activity	HOME Activity Funds	Total Units	HOME Units
City of St. Helena	Owner-Occupied Rehabilitation Program	$487,500.00	10	10
	State Recipient Administration	$12,500.00		

EXHIBIT A

3. **Term of Agreement and Deadlines**

   A. All Program funds shall be expended by: June 30, 2019.

   B. All Drawdown Requests shall be submitted by: August 31, 2019.

   C. This Agreement shall expire on: June 30, 2034.

   No payments shall be made for drawdown requests received after August 31, 2019. Any funds not drawn down by August 31, 2019, shall be disencumbered.

   Pursuant to 24 CFR 92.254, any homeownership units funded by HOME that do not have a ratified sales contract with an eligible homebuyer for the housing within nine (9) months of the date of completion of construction or rehabilitation, shall be rented to an eligible tenant pursuant to the requirements of 24 CFR 92.252.

4. **Contract Amount**

   For the purposes of performing the Work, the Department agrees to provide the amount shown on Page 1, No. 3 of this Agreement (Std. 213). In no instance shall the Department be liable for any costs for Work in excess of this amount, nor for any unauthorized or ineligible costs. The HOME Recipient agrees to administer this allocation in accordance with the provisions of 24 CFR 92 and Section 8200 through, and including, Section 8220 of Title 25 of the California Code of Regulations. The Agreement amount shall be expended as follows:

Owner-Occupied Rehabilitation Program	$487,500.00
State Recipient Administration	$12,500.00

5. **Activity Delivery Costs**

   HOME Recipients shall report the amount of Activity funds used for Activity Delivery Costs on the HOME Set-Up and Completion Reports. The HOME Recipient must request Activity Delivery Costs (ADC) in proportion to the amount of Activity funds being drawn down. The maximum amount of ADC that may be drawn for each specific activity is:

   A. Up to 24% of the HOME loan/grant amount for Owner-Occupied Rehabilitation (OOR).

   B. Up to 6.5% of the HOME loan/grant amount for First-Time Homebuyer (FTHB) activities including rehabilitation;

   C. Up to 6.5% of the HOME Construction loan amount for First-Time Homebuyer activities involving in-fill construction;

   D. Up to 5% of the total household assistance amount to reimburse the cost of unit inspections and eligibility determinations for Tenant-Based Rental Assistance.

   These amounts may be modified by HOME Management Memo. The total amount of ADC drawn down during the entire contract term must be for actual costs incurred according to OMB Circulars A-87 and A-122 and have documentation in each project file.

EXHIBIT A

6. **Other Funding Sources**

A. Other Funding Sources - The HOME Recipient shall report on the value of other contributions included as leverage to the project activity with each Project Set-Up and Completion Report (this is one report). The Project Set-Up and Completion Report is the report which conveys the information needed to establish a project-specific account in the Federal Integrated Disbursement and Information System (IDIS). It is also the report that is used to convey any changes to the project-specific account, or report the final project-specific information in IDIS established by U.S. Department of Housing and Urban Development (HUD).

B. Match - All matching contributions for a specific activity required by 24 CFR 92.218-222 are waived. However, the HOME Recipient shall report all match eligible funding in the Project Set-Up Report and Project Completion Report.

C. Subsidy Limits - The amount of HOME funds the HOME Recipient may contribute to HOME-assisted housing on a per-unit basis may not exceed the per-unit dollar limits established by HUD, as referenced in 24 CFR 92.250.

7. **Department Contract Coordinator**

The coordinator of this Agreement for the Department is the Contract Management Section Manager, Division of Financial Assistance, or the Manager's designee. Unless otherwise informed, any notice, report, or other communication required by this Agreement shall be mailed by first class or priority mail to the Department Coordinator at the following address:

Contract Management Section Manager
Department of Housing and Community Development
Division of Financial Assistance
P. O. Box 952054
Sacramento, California 94252-2054
Phone: (916) 263-5766

8. **HOME Program Contract Coordinator**

The HOME Recipient's contact for this Agreement may vary; therefore you will be contacted directly by your assigned representative. The State Recipient Representative jurisdiction lists, which are different for Program Activities and Projects, are also available at http://www.hcd.ca.gov/financial-assistance/home-investment-partnerships-program/. Unless otherwise informed, any notice, report, or other communication required by this Agreement shall be sent by first class mail to the contact at the following address:

Name:	Contract Management Section Representative
Phone:	(916) 263-2771
Fax:	(916) 263-3394
Email:	HOME@hcd.ca.gov
Address:	Department of Housing and Community Development Division of Financial Assistance P.O. Box 952054 Sacramento, CA 94252-2054

EXHIBIT B

SET-UP AND PAYMENT PROVISIONS

HOME Recipient Programs

1. **Definitions**

   A. "Activity Delivery Costs" means "related soft costs" as this term is defined in the HOME Final Rule 24 CFR 92.602(b)(3). The Activity Delivery Costs are included in the "HOME Activity Funds". The HOME Recipient may expend up to the indicated Activity Delivery Cost as identified in Exhibit A, 5. HOME funds for Activity Delivery Costs and Home Activity Funds shall be drawn down at the same time. If the activity is not completed, and a Project Completion Report for the full amount drawn down is not filed, all HOME funds, including ADC must be repaid to the Department.

   B. "Project Set-Up" refers to the forms and process required to reserve HOME funds in IDIS for a specific HOME assisted project.

   C. "Project Disbursement" refers to the forms and process required to request the drawdown of HOME funds from IDIS for a project's previously reserved HOME funds.

   D. "Project Completion Report" refers to the form and process required to report a project "complete". The Project Completion Report must be submitted to HCD within 60 days of the final draw request. If the activity is not complete, and a Project Completion Report for the full amount drawn down is not filed, all HOME funds for the particular project must be repaid to the Department.

   E. "Administration" refers to eligible administrative and planning costs as provided in 24 CFR 92.207.

2. **General Set-Up Requirements**

   The HOME Recipient shall submit the following for the Department's approval, prior to project set-up in IDIS:

   A. The "General Set-Up Conditions Checklist" on a form provided by the Department and any required supporting documentation, including a program budget, and Affirmative Fair Market Analyses with marketing plan.

   B. For FTHB Activities, the Contractor shall submit a revised FTHB Feasibility Worksheet (Exhibit B7 of the Program application) as part of their General Set-up Conditions to confirm program feasibility.

   C. Any other documents, certifications, or evidence deemed necessary by the Department prior to Project Set-Up prior to Project Set-Up.

EXHIBIT B

3. **Individual Project Set-Up Requirements**

The HOME Recipient shall submit the following documentation to the Department:

A. HUD-required Project Set-Up Report; and

B. Any other documents, certifications, or evidence deemed necessary by the State prior project set-up.

4. **Project Disbursement Requirements**

The HOME Recipient shall submit the following documentation to the Department prior to the disbursement of funds:

A. HUD-required Project Drawdown Request Form;

B. Std. 204, Payee Data Record form (if necessary);

C. Designated Payee letter (if necessary);

D. Evidence of sufficient and eligible HOME match, if necessary for funding;

E. Any other documents, certifications, or evidence deemed necessary by the Department prior to disbursement of project funds; and,

F. For the final drawdown, a revised Project Completion Report, if any funding sources and/or amounts have changed since the most recently submitted Project Set-Up Report.

5. **Project Completion Requirements**

The HOME Recipient shall submit the following documentation to the Department for project completion:

A. HUD-required final Project Set-Up and Completion Report; and,

B. Any other documents, certifications, or evidence deemed necessary by the Department prior to project completion.

6. **General Conditions of Disbursement**

A. The HOME Recipient shall spend Program Income in the local account, before requesting funds from the Department and shall not request disbursement (drawdown request) of HOME funds under this Agreement until the funds are needed for the reimbursement of eligible costs. The amount of each request shall be limited to the amount needed for reimbursement of actual expenses for Work that has been completed. Work completed means FTHB escrow has closed, TBRA rent subsidies were paid, and/or OOR construction/rehabilitation costs are paid for Work completed, and inspected.

EXHIBIT B

B. No later than 60 days after any final project drawdown request, the HOME Recipient shall provide a Project Completion Report to the Department. In the event that a Project Completion Report is not received by the Department within the 60-day period, the Department shall suspend further Project Set-Ups for the Contractor until the Project Completion Report is received by the Department and is accepted in IDIS.

C. In the event the Department determines funds were used for ineligible expenses, further Project Set-Ups and all disbursements may be withheld until the issue of the ineligible expenses is resolved to the satisfaction of the Department.

EXHIBIT D

HOME TERMS AND CONDITIONS

1. Effective Date and Commencement of Work

This Agreement is effective upon approval by the Department. This approval date is indicated by the date stamped by the Department in the lower right hand corner of page one of this Agreement. The HOME Recipient agrees that the Work shall not commence, nor any costs to be paid with HOME funds be incurred or obligated by any party prior to execution of this Agreement by the Department, completion of all required environmental clearances, and compliance with the applicable conditions of this Agreement. Notwithstanding the aforementioned statement, there are two circumstances when costs may be incurred prior to the execution of this Agreement. First, administrative expenses for eligible NEPA compliance work may be incurred prior to the execution of this Agreement. Second, with Contract Management Section Manager or Section Chief approval, other costs may also be incurred prior to the execution of this Agreement. Such costs may consist of procurement of administrative subcontractors, development of program guidelines, architectural, engineering and other professional services required to prepare plans, drawings, specifications, or work write-ups that are incurred not more than 24 months prior to the project being set up in IDIS. The HOME Recipient agrees that the Work shall be completed by the Expenditure date specified in Exhibit A, Section 3, A. This Agreement shall expire on the date set forth in Exhibit A, Section 3, C.

2. Sufficiency of Funds

A. This Agreement is valid and enforceable only if sufficient funds are made available to the Department by the United States Government for the purposes of the HOME Program. In addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress or State Legislature, promulgated in State or federal regulations or any State or federal statute, as now in effect and as may be amended from time to time which may affect the provisions, terms, or funding of this Agreement in any manner, including 2 CFR Part 200.

B. The parties to this Agreement mutually agree that if the Congress does not appropriate sufficient funds for the HOME Program, the Department, at its sole discretion, either may amend the contract to reflect any reduction in funds, or it may unilaterally cancel the contract with 14 days written notice to the HOME Recipient.

3. Disencumbrance of Funds and Termination

A. The Department at its discretion, may require a partial disencumbrance of funds awarded when the HOME Recipient has difficulty expending funds during the contract period, and it appears they will be unable to expend them prior to the expenditure deadline (See Exhibit A (3(a)).

B. The Department may terminate this Agreement at any time for cause by giving 14 days written notice to the HOME Recipient. Cause shall consist of any violation of the HOME requirements; any terms and/or special conditions of this Agreement; upon the request of HUD; unreasonably low rate of expenditure; or, upon a reduction in or elimination of the Department's expenditure authority.

EXHIBIT D

C. Unless otherwise approved by the Department, upon termination or cancellation of this Agreement, the HOME Recipient shall complete all Work in progress and terminate any other activities that were to be paid for with HOME funds. Any unexpended funds received by the HOME Recipient shall be returned to the Department within 14 days of the Notice of Termination or Notice of Cancellation.

4. Litigation

The HOME Recipient shall notify the Department immediately of any claim or action undertaken by or against it which affects or may affect this Agreement or the Department, and shall take such action with respect to the claim or action as is consistent with the terms of this Agreement and the interests of the Department.

5. Waivers

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

6. HOME Recipient's Application for Funds

A. HOME Recipient has submitted to the Department an Application for funding under the HOME Program. The Department is entering into this Agreement on the basis of, and in substantial reliance upon, HOME Recipient's facts, information, assertions and representations contained in that Application, and in any subsequent modifications or additions thereto approved by the Department. The Application and any approved modifications and additions thereto are hereby incorporated into this Agreement.

B. HOME Recipient 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 HOME Recipient's 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 the Department's approval, disbursement, or monitoring of the funding and the HOME loans and grants or activities governed by this Agreement, then the Department may declare a breach hereof and take such action or pursue such remedies as are provided for breach hereof.

7. Federal and State Laws and Regulations

The HOME Recipient agrees to comply with all federal laws and regulations applicable to the HOME Program.

EXHIBIT D

8. **Uniform Administrative Requirements**

The HOME Recipient shall comply with the Federal Uniform Administrative Requirements set forth in 24 CFR 92.505 as may be updated by the federal government. This means compliance with OMB Circular A-87 "Cost Principles for State, Local, and Indian Tribal Governments" and the following sections of 24 CFR 85 "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments" 85.6, 85.12, 85.20, 85.22, 85.26, 85.32, through 85.34, 85.36, 85.44, 85.51, and 85.52. Generally speaking, these sections permit the HOME Recipient to use its own procurement procedures if they meet federal standards Pursuant to 24 CFR 85.36(b)(3), no employee, officer or agent (including subcontractors who perform specific administrative tasks and/or administer the local HOME Program) may also be the developer and/or owner of a HOME-assisted program or project, unless approved in writing by HUD in advance of the project commencement.

9. **Project Requirements**

The HOME Recipient shall comply with 24 CFR 92, Subpart F as applicable, in accordance with the type of project assisted.

A. Maximum Per Unit Subsidy Amount and Subsidy Layering

In accordance with 24 CFR 92.250 and Section 8207 of the State HOME Regulations, the HOME Recipient shall demonstrate to the Department, in a format identified by the Department, that the amount of HOME funds invested on a per-unit basis shall not exceed the limits established under section 221(d)(3) of the National Housing Act (12 USC 17151) for elevator-type projects that apply to the area where the housing is located, and that the HOME funds in combination with other financing and assistance, is not more than is necessary to provide housing to low-income households. The HOME Recipient shall provide a formal certification concerning the governmental assistance provided or to be provided to a project. If no such governmental assistance is to be provided at the time of the application or in the future, the HOME Recipient shall certify to that fact. The HOME Recipient shall also certify that should other governmental assistance be sought in the future, the Department shall be promptly notified. Activities assisted under this Agreement are subject to the underwriting and subsidy layering requirements established by the Department for each activity pursuant to the requirements of 24 CFR 92.250 and 92.254.

For all First-Time Homebuyer activities, the HOME Recipient shall submit the final HUD-1 (settlement statement from the escrow company) at the same time the Individual Project Set-Up Report is submitted to the Department.

B. Maximum Purchase Price/After Rehabilitation Value Limits

Homebuyer acquisition and/or rehabilitation activities shall meet the Maximum Purchase Price/After-Rehabilitation Limits published or otherwise approved by the Department pursuant to the requirements set forth in 24 CFR 92.254.

EXHIBIT D

C. Property Standards

The HOME Recipient shall ensure that all housing units meet the property standards in 24 CFR 92.251. All rental housing shall be maintained in compliance with 24 CFR 92.251 for the duration of the affordability period.

The HOME Recipient shall ensure that upon project completion, housing rehabilitated with HOME funds meets applicable local rehabilitation standards or another rehabilitation standard meeting the requirements of 24 CFR 92.251. The HOME Recipient shall ensure that the written scope of work must be in sufficient detail to establish the basis for a uniform inspection of the assisted housing to determine compliance with the requirements of this section. The HOME Recipient shall review and approve all written cost estimates after determining that costs are reasonable. The HOME Recipient shall conduct an initial property inspection to identify deficiencies that must be addressed, as well as progress and final inspections to determine that work was done in accordance with work write-ups.

The HOME Recipient shall ensure that existing housing that will be acquired for homeownership must be decent, safe, sanitary and in good repair. At a minimum, this housing must meet all applicable State and local housing quality standards and code requirements, and contain no deficiencies set forth by HUD based on applicable Uniform Physical Condition Standards at 24 CFR 5.705. The HOME Recipient shall inspect the housing and document this compliance based upon an inspection that is conducted no earlier than 90 days before the commitment of HOME assistance. If the housing does not meet these standards, the housing must be rehabilitated to meet these standards or it cannot be acquired with HOME funds.

All housing occupied by tenants receiving HOME tenant-based rental assistance must meet the standards established in 24 CFR 982.401 or the successor requirements as established by HUD.

Construction of all manufactured housing including manufactured housing that replaces an existing substandard unit under the definition of 'reconstruction' at 24 CFR 92.2 must meet the Manufactured Home Construction and Safety Standards codified at 24 CFR part 3280. These standards preempt State and local codes which are not identical to the federal standards for the new construction of manufactured housing.

The HOME Recipient shall ensure that manufactured housing assisted with HOME funds complies with applicable State and local laws or codes. In the absence of such laws or codes, the installation must comply with the manufacturer's written instructions for installation of manufactured housing units. All new manufactured housing and all manufactured housing that replaces an existing substandard unit under the definition of "reconstruction" must be on a permanent foundation that meets the requirements for foundation systems as set forth in 24 CFR 203.43f(c)(i). All new manufactured housing and all manufactured housing that replaces an existing substandard unit under the definition of "reconstruction" must, at the time of project completion, be connected to permanent utility hook-ups and be located on land that is owned by the manufactured housing unit owner or land for which the manufactured housing owner has a lease for a period at least equal to the applicable period of affordability. In HOME-funded rehabilitation of existing manufactured housing the foundation and anchoring must meet all applicable State and local codes, ordinances, and requirements or in the absence of

EXHIBIT D

local or state codes, the Model Manufactured Home Installation Standards at 24 CFR part 3285. Manufactured housing that is rehabilitated using HOME funds must meet HOME property standards requirements of this section, as applicable. The HOME Recipient shall document this compliance in accordance with inspection procedures established pursuant to 24 CFR 92.251, as applicable.

D. Affordability

The HOME Recipient shall ensure all assisted housing meets the minimum affordability period requirements as specified in 24 CFR 92.252 and Section 8208 of the State HOME Regulations for rental housing or 24 CFR 92.254 for homeownership, as applicable as shown below. For rental housing activities, the federal and state affordability periods run concurrently. HOME funds for activities that do not meet these affordability requirements are subject to recapture by the Department.

1) <u>Rental Rehabilitation Activities</u>:

Federal Minimum Period of Affordability (In Years)	20
State Minimum Period of Affordability (In Years)	55

2) <u>Rental Rehabilitation Activities</u>:

Amount of HOME Assistance Per Unit	Rental Rehab With or Without Acquisition	Rental Rehab Without Acquisition	Rental Rehab With Acquisition
	Federal Minimum Period of Affordability (In Years)	State Minimum Period of Affordability (In Years)	State Minimum Period of Affordability (In Years)
More than $40,000	15	20	55
$15,000 to $40,000	10	15	55
Less than $15,000	5	10	55

3) <u>Homeowner Activities</u>:

Amount of HOME Assistance Per Unit	Federal Minimum Period of Affordability (In Years)	State Minimum Period of Affordability (In Years)
More than $40,000	15	15
$15,000 to $40,000	10	10
Less than $15,000	5	5

EXHIBIT D

E. Income Determination

Households assisted under this Agreement must meet the income determination requirements of 24 CFR 92.203, including but not limited to the requirement to examine at least two months' source documentation evidencing annual income (e.g. wage statement, interest statement, unemployment compensation statement) when determining household income. In meeting these requirements, the income determination rules under 24 CFR Part 5 shall be used, including the Part 5 definition of income.

F. Fees and Other Project-Related Soft Costs

Pursuant to 24 CFR 92.214, fees such as loan servicing fees, origination fees, or other fees related to the cost of administering HOME funds cannot be charged to low-income beneficiaries except as expressly authorized by the Department pursuant to the requirements of this section. Pursuant to 24 CFR 92.206, other staff and overhead costs directly related to carrying out the project, such as work specifications preparation, loan processing, inspections, lead-based paint evaluations (visual assessments, inspections, and risk assessments), and other services related to assisting potential owners, tenants, and homebuyers cannot be charged to individual households. These costs may be charged to the project as Activity Delivery Costs for projects assisted with HOME funds or they may be charged as administrative and planning costs under 24 CFR 92.207, not to exceed the applicable limits specified in Exhibit A. Project-related soft costs incurred in assisting households who do not become HOME beneficiaries are eligible administrative and planning costs under 92.207.

G. Written Agreements

The HOME recipient shall enter into a written agreement that complies with the provisions of 24 CFR 92.504 with any other entity or individual to which it disburses HOME funds. This Agreement must be executed prior to providing the HOME funds.

H. Providing Additional HOME Funds to a Project

Housing may be re-assisted by the HOME Program in accordance with any of the following: upon expiration of applicable federal affordability period, or as permitted under 24 CFR 92.214 (a)(6), or under 24 CFR 92.502. Housing may also be re-assisted as permitted by federal waiver.

I. Repayment of Funds

If a HOME Recipient does not complete a project within four years of the date of commitment of funds, the project is considered to be terminated in IDIS and the HOME Recipient must repay the funds to the Department for repayment to the State's HOME Investment Trust Fund in accordance with 24 CFR 92.503(b). The Department may request a one-year extension of this deadline in writing, by submitting information about the status of the project, steps being taken to overcome any obstacles to completion, proof of adequate funding to complete the project, and a schedule with milestones for completion of the project for HUD's review and approval.

EXHIBIT D

Under other circumstances, if the housing does not meet the affordability requirement for the specified time period, the HOME Recipient shall repay all HOME funds to the local HOME account or the Department, as directed by the Department. Repayment of funds does not relieve the HOME Recipient of the legal obligation to seek judicial enforcement of the security documents, or such other actions, as may be required to meet the affordability requirements.

J. Tenant-Based Rental Assistance

All households receiving Tenant-Based Rental Assistance (TBRA) must have a written lease with the owner of the rental housing for which the TBRA assistance is being provided that meets the lease requirements of 24 CFR 92.253.

Pursuant to 24 CFR 92.209, the rent standard for TBRA programs shall be the applicable local rent standard established under 24 CFR Part 982 for the Section 8 Housing Choice Voucher Program, unless annual written approval has been provided by the Department to use a rent standard based on local market conditions.

The HOME Recipient shall establish the utility allowance either by using the HUD Utility Schedule Model or otherwise determine the utility allowance for the project based on the types of utilities used at the project.

Pursuant to the requirements of 24 CFR 92.209, preferences in TBRA programs may be established for special needs populations and persons with disabilities. These preferences shall be subject to prior written approval by the Department.

HOME Recipients may require recipients of TBRA to participate in a self-sufficiency program as a condition of selection for assistance or renewal of assistance; however, once assistance has been granted or renewed, the failure to continue participating in self-sufficiency services cannot be used as a basis for terminating assistance. Households receiving TBRA as relocation assistance cannot be required to participate in a self-sufficiency program as a condition of receiving assistance.

10. <u>Equal Opportunity Requirements and Responsibilities</u>

A. Executive Order 11063 (1962)

This Order prohibits discrimination in the sale, leasing, rental, or other disposition of properties and facilities owned or operated by the federal government or provided with federal funds.

B. Executive Order 12892 (1994), as amended

This Order requires federal agencies to affirmatively further fair housing in their programs and activities.

EXHIBIT D

C. The Architectural Barriers Act of 1968, as amended (42 USC 4151 et seq.)

This Act requires that buildings and facilities designed, constructed, altered, or leased with certain federal funds after September 1969 must be accessible to and useable by handicapped persons.

D. Executive Order 12898, Environmental Justice (1994)

This Order requires that each federal agency conduct its program, policies, and activities that substantially affect human health or the environment in a manner that does not exclude persons based on race, color, or national origin.

E. Affirmative Marketing

The HOME Recipient shall adopt and follow affirmative marketing procedures that provide information, through the implementation of an outreach marketing program, to attract all eligible persons in the area to the HOME housing without regard to race, color, national origin, sex, religion, familial status, or disability. This affirmative marketing includes, but is not limited to, a minority outreach program to ensure the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, as required by 24 CFR 92.351. These affirmative marketing procedures shall be approved by the Department in accordance with the requirements of 24 CFR 92.351.

F. Section 504 of the Rehabilitation Act of 1973 and the "504 Coordinator"

The HOME Recipient agrees to implement the Rehabilitation Act of 1973, as amended, and its regulations, 24 CFR 8. For HOME Recipient's with 15 or more permanent, full-or part-time employees, this includes but is not limited to, the designation of a specific person charged with local enforcement of this Act, as the "504 Coordinator".

G. The Civil Rights and Age Discrimination Acts Assurances

During the performance of this Agreement, the HOME Recipient assures that no otherwise qualified person shall be excluded from participation or employment, denied program benefits, or be subjected to discrimination based on race, color, national origin, sex, age, handicap, familial status, religion, or belief, under any program or activity funded by this contract, as required by Title VI of the Civil Rights Act of 1964, the Fair Housing Act (42 USC 3601-20) and all implementing regulations, and the Age Discrimination Act of 1975 and all implementing regulations.

H. The Training, Employment, and Contracting Opportunities for Business and Lower Income Persons Assurance of Compliance (Section 3)

EXHIBIT D

1) The Work to be performed under this Agreement is on a project, or projects, assisted under a program providing direct federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, (12 U.S.C. 1701u). Section 3 requires that to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the project area and contracts for Work in connection with the project be awarded to businesses which are located in, or owned in substantial part by persons residing in the area of the HOME project.

2) The parties to this agreement shall comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of HUD set forth in 24 CFR 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of this agreement. The parties to this Agreement certify and agree that they are under no contractual or other disability which would prevent them from complying with these requirements.

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

4) The HOME Recipient shall include these Section 3 clauses in every contract and subcontract for Work in connection with the project and shall, at the direction of the Department, take appropriate action pursuant to the contract upon a finding that the HOME Recipient or any contractor or subcontractor is in violation of regulations issued by the Secretary of HUD, 24 CFR 135, and shall not let any contract unless the HOME Recipient or contractor or subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

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

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

All solicitations for bids and all construction contracts and subcontracts of $10,000 or more issued by the HOME Recipient are required to include the following:

EXHIBIT D

1) The Notice of Requirement for Affirmative Action to ensure Equal Employment Opportunity (Executive Order 11246) The HOME Recipient furthermore agrees to insert the appropriate Goals and Timetables issued by the U.S. Department of Labor in such contracts and subcontracts as required by Executive Order 11246;

2) The Standard Equal Opportunity Clause (41 CFR 60 - 1.4); and,

3) The Standard Equal Employment Opportunity Construction Contract Specifications (41 CFR) 60 - 4.3).

11. Environmental Review

The HOME Recipient shall comply with the National Environmental Policy Act (NEPA) contained in 42 USC 4321-4347 and the implementing regulations at 24 CFR 50 and 58. No actions by any party (including the HOME Recipient, the developer, owner, or sponsor) shall be undertaken for any activity that would have an adverse environmental impact or limit the choice of reasonable alternatives under 24 CFR 58.22 until HUD or the Department has issued an environmental clearance. Prior to the commitment of funds, the HOME Recipient shall submit to the Department the required NEPA documents for approval, unless the Department has waived this requirement in writing.

First-Time Homebuyer Acquisition with Rehabilitation (FTHB):

If the HOME Recipient is working under an existing FTHB Authority to use Grant Funds, the HOME Recipient must submit a project specific Appendix A and supporting documentation to the Department for review, prior to committing funds to the project; otherwise, a Statutory worksheet with supporting documentation is necessary.

Owner-Occupied Rehabilitation (OOR):

If the HOME Recipient is working under an existing OOR Authority to use Grant Funds, the HOME Recipient must submit a project specific Appendix A and supporting documentation to the Department for review, prior to committing funds to the project; otherwise, a Statutory Worksheet with supporting documentation is necessary.

12. Displacement, Relocation, and Acquisition

The HOME Recipient shall comply with the federal displacement, relocation, and real property acquisition rules governing the HOME Program, which are contained in the Uniform Relocation Act, with implementing regulations at 49 CFR 24; and Section 104 (d) of the Housing and Community Development Act of 1974, as amended, with implementing regulation at 24 CFR 92, and applicable State HOME Regulations.

EXHIBIT D

13. Labor Standards/Prevailing Wage

A. Federal Requirements

1) The HOME Recipient agrees to comply with the requirements of the United States Department of Labor and the Secretary of Labor in accordance with the Davis-Bacon and related Acts as amended, the provisions of Contract Work Hours and Safety Standards Act (40 USC 3701 et seq. (with implementing regulations at 29 CFR 5 and 29 CFR 1926) and all other applicable federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The HOME Recipient agrees to comply with the Copeland Anti-Kick Back Act (18 USC 874 et seq. and 40 USC 276(c) with implementing regulations at 29 CFR 3). The HOME Recipient shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the Department for review upon request.

2) All contracts for new construction or rehabilitation projects with twelve (12) or more HOME-assisted units shall comply with HUD requirements pertaining to such contracts and the applicable requirements of the U. S. Department of Labor regulations at 29 CFR 1, 3, 5, and 7, which govern the payment of wages and the ratio of apprentices and trainees to journey workers. If, however, there are wage rates imposed by State or local law that are higher than those required under such regulations, nothing herein is intended to relieve the HOME Recipient or any contractor/subcontractor of their obligation, if any, to require payment of the higher wage. The HOME Recipient shall cause or require to be inserted in full, in all such contracts subject to said regulations, provisions meeting the requirements of this paragraph, HUD's Federal Labor Standards Provisions form HUD-4010 (07/2003), or its revised replacement that meet the requirements of this paragraph. All said contracts shall also comply with the provisions of 24 CFR 92.354.

B. Department Requirements

1) When funds provided through this Agreement are used for construction work, or in support of construction work, the HOME Recipient shall ensure that the requirements of Chapter 1 (commencing with Section 1720) of Part 7 of the State of California Labor Code (State Labor Code) (pertaining to the payment of prevailing wages and administered by the California Department of Industrial Relations) are met.

2) For the purposes of this requirement "construction work" includes, but is not limited to, rehabilitation, alteration, demolition, installation or repair done under contract and paid for, in whole or in part with HOME funds. All construction work shall be done through the use of a written contract (the "construction contract") with a properly licensed building contractor incorporating these requirements. When the construction contract is between the HOME Recipient and a licensed contractor, the third party shall serve as the "awarding body." The construction contract and any amendments thereto shall be subject to the prior written approval of the Department. Prior to any disbursement of funds, including but not limited to, release of any final retention payment, the Department may require

EXHIBIT D

a certification from the awarding body that prevailing wages have been or will be paid as required by Section 1720 of the State Labor Code.

14. Lead-Based Paint Hazards

Assistance provided under this Agreement is subject to the Lead-Based Paint Poisoning Prevention Act and subsequent amendments; and to HUD Lead-Based Paint Regulations found at 24 CFR 35, et al.

15. Conflict of Interest

In the procurement of property and services, the HOME Recipient shall comply with the conflict of interest provisions in 24 CFR 85.36 for the procurement of property and with 24 CFR 84.42 for the procurement of services. In all cases not governed by these two sections, the HOME Recipient shall comply with 24 CFR 92.356. Section 24 CFR 92.356 prohibits, in part, that any employee, agent, consultant, officer or elected or appointed official, "who exercise or have exercised any functions or responsibilities with respect to activities assisted with HOME funds or who are in a position to participate in a decision making process or gain inside information with regard to these activities, may obtain a financial interest or benefit from a HOME-assisted activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter."

16. Interest of Certain Federal Officials

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

17. Certification Regarding Lobbying (Byrd Amendment)

A. The HOME Recipient shall require that the language of this certification be included in the award documents for all subawards (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

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

C. "The undersigned certifies, to the best of his or her knowledge and belief, that:

1) No federal appropriated funds have been paid or shall 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 awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal

EXHIBIT D

contract, grant, loan, or cooperative agreement.

2) If any funds other than federally appropriated funds have been paid or shall be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard For-LLL, Disclosure Form to Report Lobbying, in accordance with it's instructions."

18. Bonus or Commission Prohibition

The assistance provided under this Agreement shall not be used in the payment of any bonus or commission for the purpose of obtaining Department approval of the application for such assistance, or Department approval of the applications for additional assistance, or any other approval or concurrence of the Department required under this Agreement, Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, or State regulations with respect thereto; provided, however, that reasonable fees for bona fide technical, consultant, managerial or other such services, other than actual solicitation, are not hereby prohibited if otherwise eligible as program costs.

19. Contractors and Subcontractors - State Requirements

A. The HOME Recipient shall not enter into any agreement, written or oral, with any construction contractor without determination of the construction contractor's eligibility. A construction contractor or subcontractor is not eligible to receive HOME funds if not licensed and in good standing with the State of California.

B. The Department reserves the right to review and approve any contracts or agreements executed by the HOME Recipient related to any HOME-assisted projects.

C. The contract between the HOME Recipient and any construction contractor shall require the construction contractor and its subcontractors, if any, to:

1) Perform the Work in accordance with federal, State and local housing and building codes as applicable;

2) Provide security to assure completion of the project by furnishing the borrower and construction lenders with Performance and Payment Bonds, or other security approved in advance in writing by the Department;

3) Comply with the applicable Labor Standards/Prevailing Wage Provisions of Paragraph 12 of this Exhibit;

4) Comply with the applicable Equal Opportunity Requirements described in Paragraph 9 of this Exhibit;

5) Maintain at least the minimum State-required Workers' Compensation Insurance for those employees who shall perform the Work or any part of it; and,

EXHIBIT D

6) Maintain, if so required by law, unemployment insurance, disability insurance and liability insurance in an amount to be determined by the Department, which is reasonable to compensate any person, firm, or corporation who may be injured or damaged by the contractor or any subcontractor in performing the Work or any part of it.

20. Contractors and Subcontractors - Federal Non-Debarment Certification

A. Preamble: As a condition of receipt of federal funds under this Agreement, the HOME Recipient and all of its contractors and their subcontractors are required to provide the certification set forth below in Paragraph E, and include this certification in their contracts.

B. This certification is required by the federal government and contains terms defined in Executive Order 12549, a copy of which is available from the Department. Generally speaking, for purposes of this Agreement: (1) "prospective lower tier participant" refers to the HOME Recipient and any other party or person that shall receive funds from this Agreement, such as general contractors and their subcontractors; (2) "lower tier transaction" refers to contracts let by the HOME Recipient or HOME Recipient's contractors utilizing funds provided through this Agreement; and (3) "this proposal" refers to the HOME Recipient's HOME application and any bid or application from a prospective lower tier participant.

C. By signing this Agreement, the HOME Recipient is providing the certification set forth below. The HOME Recipient shall provide immediate written notice to the Department if at any time the HOME Recipient learns that its certification was erroneous when submitted or has become erroneous.

D. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions:

1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.

2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

E. By signing this Agreement the HOME Recipient agrees that it shall not knowingly enter into any lower tier transaction with a person or entity that is proposed for debarment under 48 CFR 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in such transaction.

EXHIBIT D

F. By signing this Agreement, the HOME Recipient agrees that it shall include the above certification in all lower tier transactions to which it is a part; and it shall require that each of its contractors include the certification in their subcontracts.

21. Faith-Based Activities

The HOME Recipient shall comply with the requirements of 24 CFR 92.257 which provide, in part, that "Organizations that are directly funded under the HOME Program may not engage in inherently religious activities, such as worship, religious instruction, or proselytization, as part of the assistance funded under this part." HOME funds and activities must be separate in time and location from explicitly religious activities.

22. Insurance

A. The HOME Recipient shall have and maintain in full force and effect during the term of this contract:

1) Comprehensive general liability insurance in the amount of not less than one million dollars ($1,000,000);

2) Worker's compensation insurance; and,

3) Other forms of insurance, at such levels, as may be determined by the HOME Recipient and the Department to be necessary for specific components of the Work listed in Exhibit A.

B. The HOME Recipient agrees to furnish satisfactory evidence of the above listed insurance coverage to the Department upon request. Insurance coverage shall not be canceled or changed unless written notice is sent to the State thirty days prior to the effective date of the action. The Department reserves the right to waive or modify these insurance coverage requirements upon demonstration of cause satisfactory to the Department, and contingent upon the HOME Recipient providing evidence of an alternative to conventional insurance sufficient to provide equivalent protection.

23. Records

A. The HOME Recipient shall maintain the program, project, financial, program administration, and federal requirement records specified in 24 CFR 92.508 for inspection by the Department.

B. All records specified in 24 CFR 92.508 shall be retained for the time periods specified in Section 28 below. These records shall include, but are not limited to the following: (i) a full description of each project assisted with HOME funds, including the location (address of each unit), form of HOME assistance, and the units or tenants assisted with HOME funds; (ii) the source and application of funds for each project, including supporting documentation in accordance with 24 CFR 85.20; and records to document the eligibility and permissibility of the project costs; (iii) records demonstrating that each project meets the minimum per-unit subsidy amount of 92.205(c), the maximum per-unit subsidy amount of 92.250(a), and the subsidy layering and underwriting evaluation adopted in accordance with 92.250(b); (iv) records (e.g., inspection reports) demonstrating that each project meets the property standards of 92.251 at project

EXHIBIT D

completion; (v) records demonstrating that each tenant-based rental assistance project meets the written tenant selection policies and criteria of 92.209 (c), including any targeting requirements, the rent reasonableness requirements of 92.209 (f), the maximum subsidy provisions of 24 CFR 92.209(h), property inspection reports and calculation of the HOME subsidy and (vi.) records (written agreements) demonstrating compliance with the written agreement requirements in 92.504.

C. If so directed by the Department upon termination of this Agreement, the HOME Recipient shall cause all records, accounts, documentation and all other materials relevant to the Work to be delivered to the Department as depository.

24. Reporting

A. Commencing with the effective date of this Agreement and continuing through the acceptance of the Project Completion Report in IDIS and no later than thirty days after the end of each calendar quarter, the HOME Recipient shall submit a quarterly performance report to the Department on forms provided by the Department.

B. For "Rental Project" and "First-Time Homebuyer Project" activities, commencing with the effective date of this Agreement and continuing through the acceptance of the Project Completion Report in IDIS and no later than the tenth business day of the following month, the HOME Recipient shall submit a "State HOME Project Monthly Status Report " to the Department on forms provided by the Department.

C. Upon project completion, and annually thereafter during the required period of affordability, the HOME Recipient shall submit on an annual basis to the Department all HOME monitoring documentation necessary to ensure that HOME Recipients are in continued compliance with federal and State regulations. Such documentation requirements and the annual submission deadline shall be provided by the Department.

D. Upon acceptance of the Project Completion Report in IDIS and throughout the affordability period, the HOME Recipient shall submit on July 1, and no later than July 31, an Annual Performance Report on a form provided by the Department.

25. Breach and Remedies

A. The following shall constitute a breach of this Agreement:

1) HOME Recipient's failure to comply with the terms of this Agreement.

2) HOME Recipient's failure to comply with, or HOME Recipient's failure to assure that all recipients of HOME funds comply with, applicable state and federal HOME rules and regulations.

3) Use of, or permitting the use of, HOME funds provided under this Agreement for any ineligible costs or for activities not approved under this Agreement.

4) Any failure to comply with the deadlines set forth in Exhibit A.

5) HOME Recipient's failure to assure that the appropriate security documents and lien agreements applicable to the Work are executed and, where appropriate,

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recorded.

6) HOME Recipient's failure to monitor the progress of the Work and the activities of any recipient of HOME funds provided under this Agreement in a commercially reasonable manner.

7) HOME Recipient's failure to exercise commercially reasonable due diligence in the enforcement of the security documents and lien agreements.

8) Lack of continued capacity to carry out the approved Work either on behalf of the HOME Recipient or by the HOME Recipient named in this Agreement.

B. In addition to any other remedies that may be available to the Department in law or equity for breach of this Agreement, the Department, after written notice and reasonable time to cure, may:

1) Bar the HOME Recipient from applying for future HOME funds;

2) Revoke any other existing HOME award(s) to the HOME Recipient;

3) Withhold any funds remaining undisbursed under this Agreement;

4) Require the return of any unexpended HOME funds disbursed under this Agreement;

5) Require repayment of HOME funds disbursed and expended under this agreement;

6) Require the immediate return to the Department of all funds derived from the use of HOME funds including, but not limited to program income, recaptured funds and returned funds; and,

7) Require the HOME Recipient to assign the security documents and lien agreements for the Work to the Department.

C. All remedies available to the Department are cumulative and not exclusive.

26. <u>Inspections</u>

A. Before a project can be designated as completed in IDIS, the HOME Recipient shall perform an on-site inspection of all Work performed hereunder to ensure that the Work has been performed in accordance with the applicable federal, State and/or local requirements, the construction contract, and this Agreement. The HOME Recipient agrees to require that all Work found by such inspections not to conform to the applicable requirements be corrected, and to withhold payment to the construction contractor or subcontractor until it is so corrected.

B. The Department reserves the right to inspect the property at any time during the period of construction and throughout the period of affordability.

EXHIBIT D

27. **Project Site**

Notwithstanding any provision in this Agreement, the parties hereto further agree and acknowledge that this Agreement does not constitute a commitment of funds or approval of a project site, and that such a commitment of funds or an approval of a project site may occur only upon satisfactory completion of environmental review and receipt by the HOME Recipient of a release from the Department.

28. **Security Documents and Lien Agreements**

HOME funds shall be disbursed in the form of loans except for funds disbursed for the purposes set forth in the Department HOME Regulations Section 8205(b)(2), which shall be provided in the form of a grant. The HOME Recipient shall ensure that all loans made by the HOME Recipient are evidenced by a promissory note, the repayment of which is secured by a deed of trust to be recorded on the property being assisted, or by other security approved by the Department in writing. The HOME Recipient agrees that all said documents shall be executed and where appropriate, recorded, prior to disbursement of funds to the project and shall contain the applicable minimum affordability period set forth in 24 CFR 92.252 and 92.254.

29. **Audit/Retention and Inspection of Records**

A. The HOME Recipient agrees that the Department or its designee shall have the right to review, obtain, and copy all records and supporting documentation pertaining to performance of this Agreement. The HOME Recipient agrees to provide the Department or its designee with any relevant information requested and shall permit the Department 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 material that may be relevant to a matter under investigation for the purpose of determining compliance with California Government Code Section 8546.7. The HOME Recipient further agrees to maintain such records for a period of five years after final payment under this Agreement, unless a longer period of records retention is stipulated.

B. The HOME Recipient further agrees to retain all records for a period of five years after the final payment under this Agreement, or as specifically stipulated below.

1) Rental housing project records shall be retained for five years after the project completion date. The records that specify individual tenant income verifications, project rents and project inspections must be retained for five years after the affordability period terminates. Tenant-based rental assistance project records shall be retained for five years after the period of rental assistance terminates.

2) Homeownership housing project records shall be retained for five years after the project completion date. The documents imposing recapture/resale restrictions must be retained for five years after the affordability period terminates.

EXHIBIT D

3) All written agreements must be retained for five years after this Agreement terminates.

4) Records covering displacements and acquisition must be retained for five years after the date by which all persons displaced from the property and all persons whose property is acquired for the project have received the final payment.

5) If any litigation, claim, negotiation, audit, monitoring, inspection or other action has been started 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.

6) The HOME Recipient also agrees to include in any contract that it enters into in an amount exceeding $10,000, the Department's right to audit the contractor's records and interview their employees. The HOME Recipient shall comply with the caveats and be aware of the penalties for violation of fraud and for obstruction of investigation as set forth in California Public Code Section 10115.10.

C. The determination by the Department of the eligibility of any expenditure shall be final.

D. Pursuant to 24 CFR §85.26 and OMB Circular A-133, a HOME Recipient who received in excess of $500,000 in federal funds annually, shall cause to be performed an annual single or program-specific audit conducted for that year by the close of each fiscal year in which this Agreement is in effect, of the following:

1) The financial statements and a schedule of federal awards and the auditor's report on the statements and the schedule;

2) A written report of the independent auditor's understanding of the internal control structure and the assessment of control risk;

3) The auditor's report on compliance; and,

4) Other items as stipulated in OMB Circular A-133.

E. The audit shall be performed by an independent certified public accountant. Selection of an independent audit firm shall be consistent with procurement standards contained in 24 CFR 85.36.

F. The HOME Recipient shall notify the Department of the auditor's name and address immediately after the selection has been made. The contract for audit shall allow access by the Department to the independent auditor's working papers.

G. The HOME Recipient shall submit three copies of all required audit reports to the State Controller's Office within 30 days after receipt of the auditor's report, nine months after the end of the required audit period, unless a longer period is agreed to in advance, to:

EXHIBIT D

State Controller's Office
Division of Audits
Single Audit Unit
3301 C Street, Suite 705
Sacramento, CA 95816

In addition, the HOME Recipient shall submit one copy of the audit report within the same time frame described in this paragraph to:

Federal Audit Clearinghouse
Bureau of the Census
1201 E. 10th Street
Jeffersonville, IN 47132

H. The performance of this Agreement by the HOME Recipient shall be subject to examination and audit by the State Auditor pursuant to Government Code Section 8546.7.

I. The HOME Recipient is responsible for the completion of audits and all costs of preparing audits.

J. If there are audit findings, the HOME Recipient must submit a detailed response acceptable to the Department for each audit finding.

K. The HOME Recipient shall retain all books and records relevant to this Agreement for a minimum of five (5) years after the project completion, as evidenced by the certificate of occupancy or submittal of the HUD-required Completion Report whichever is later; except that 1) records of individual tenant income verifications, project rents inspections shall be retained for the most recent five year period, until five years after the affordability terminates; and, 2) records relating to any and all audits or litigation relevant to this Agreement shall be retained for five years after the conclusion or resolution of the matter.

30. Signs

During the construction period of a project, the Department may place or require to be placed signs on the property stating that the HOME Program is providing financing. The signs shall indicate in a typeface and size commensurate with its funding that the Department is a source of financing for the project, through the HOME Program.

31. Special Conditions-Contractors/Sub Contractors

The HOME Recipient agrees to comply with all conditions of this Agreement including the Special Conditions set forth in Exhibit E. These conditions shall be met to the satisfaction of the Department prior to Project Set-Up or disbursement of funds, as appropriate. The HOME Recipient shall ensure that all contractors and/or subcontractors are made aware of and agree to comply with all of the conditions of this Agreement and the applicable federal and State requirements governing the use of HOME funds. Failure to comply with these conditions may result in cancellation of this Agreement.

EXHIBIT D

32. Conditional Reservation of Funds

Notwithstanding any provision in this Agreement, the parties hereto agree and acknowledge that this Agreement constitutes a conditional reservation of funds.

33. Federal Property Management Standards

The HOME Recipient shall comply with the HUD property management standards as set forth in 24 CFR 85.31 and 85.32.

34. Eligible Uses of Program Income

Program Income may be retained by the HOME Recipient for the term of this Agreement provided the HOME Recipient is in full compliance with all applicable HOME program requirements. Per 24 CFR 92.500(c)(1), Program Income must be placed in an interest bearing local HOME account.

Program Income shall be used for eligible activities as specified in the federal HOME regulations and as more specifically described at 24 CFR 92.2 and 92.503. Recipient shall obtain advance HOME management approval for the use of Program Income, and shall comply with all HOME program requirements including advance HOME set-up and NEPA approval, shall expend all program income prior to reimbursement for new grant funds from HCD, and shall report on the use of Program Income quarterly.

EXHIBIT E

SPECIAL TERMS AND CONDITIONS

These Special Conditions are specific for this Standard Agreement.

1. There are no Special Conditions for this Agreement.

Report to the City Council
Council Meeting of August 22, 2017

Agenda Section: **Consent**

Subject: **Consideration and proposed approval of a resolution authorizing the Police Department to accelerate the hiring of one Police Officer effective November 1, 2017, in advance of an announced Officer retirement in February, 2018**

CEQA Determination: **Not a CEQA project**

Prepared By: William Imboden, Chief of Police

Reviewed By:

Approved By: Mark Prestwich, City Manager

BACKGROUND

The approved Fiscal Year 2017/18 Operations Budget includes funding for one Chief of Police, one Lieutenant, two Sergeants, and eight Police Officers. The Police Department experienced a vacancy of one Officer position between May 4 and August 16, 2017. This four-month long gap required the use of overtime to fill shifts otherwise performed by the Officer.

The City was recently notified that an additional Officer will be retiring in February, 2018. In anticipation of this vacancy, the Police Department is recommending the hiring of an Officer three months in advance of the planned retirement in order to allow time for the new hire to complete the Department's required three month Field Training Program. This will allow for a seamless transition with minimal disruption to daily operations and service levels, and prevent another extended vacancy in this critical position.

Finding and hiring qualified applicants has been an challenge for Police agencies throughout California. Academy classes that start with 30+ cadets are graduating 15 – 17. Of those graduates, 5 – 10 may be qualified candidates and most of those are already hired before they complete the Academy. When the Chief visits an Academy to recruit, typically there are 3 or 4 cadets in attendance.

DISCUSSION

Due to the previous vacancy, the Police Department experienced salary savings in the current fiscal year of $15,585 (between July 1 and August 16, 2017). This cost-savings will fund approximately two months of salary for the new Officer position which is estimated to cost $8,107 per month. Because the new Officer will be replacing a higher paid veteran Officer, staff projects salary cost-savings of $13,979 over the remainder of the fiscal year (see Attachment 2).

Pursuant to the Police Officers Association MOU, Article 13; Section 13.7 Sick Leave Accrual Incentive, retiring employees have the option of cashing their accrued sick leave out at 50% of its dollar value, or applying the sick leave toward continuing medical benefits at the full dollar value. If the retiring Officer opted to cash out their sick leave, there would be an impact to the Police Department budget. However, the retiring Officer has stated a desire to roll their sick leave into continuing medical coverage. In the event they change their mind, the financial impact would be $8,736, a figure that can be absorbed within the currently approved Department budget due to salary savings.

FISCAL IMPACT

The proposed hiring presents no material fiscal impacts to the City's General Fund. The funding for the new Officer will be absorbed by salary savings associated with the previous Officer vacancy between July 1 and August 16, 2017 and the lower starting salary of the replacement Officer.

RECOMMENDED ACTION

Staff recommends the City Council adopt the resolution authorizing the Police Department accelerate the hiring of one Police Officer position, effective November 1st, 2017, in advance of an announced Officer retirement in February, 2018.

ATTACHMENTS

Attachment 1 - Officer Early hire Reso 2017
Attachment 2 - Spread Sheet 2017

ATTACHMENT 1

CITY OF ST. HELENA
RESOLUTION NO. 2017-____

Resolution authorizing the Police Department to accelerate the hiring of one Police Officer position effective November 1st, 2017, in advance of an announced Officer retirement in February, 2018, at no additional cost to the City

RECITALS

A. The City of St. Helena Police Department is minimally staffed to cover required Patrol shifts; and

B. Any time the Department loses staffing, overtime must be used to maintain minimum staffing levels for safety; and

C. The Department is anticipating an announced retirement in February, 2018; and

D. The Department is having difficulty locating and recruiting qualified Police Officer applicants; and

E. The position will be filled no sooner than November 1st, 2017; and

F. There will be no additional cost to the City to hire one officer position early.

RESOLUTION

The City Council of the City of St. Helena hereby resolves as follows:

1. The early hiring of one police officer position is approved.

Approved at a Regular Meeting of the St. Helena City Council on August 22nd, 2017, by the following vote:

Mayor Galbraith: ___________

Vice Mayor White: ___________

Councilmember Koberstein: ___________

Councilmember Dohring: ___________

Councilmember Ellsworth: ___________

APPROVED: ATTEST:

______________ __________________________

Alan Galbraith, Mayor Cindy Black, City Clerk

2017/18 Police Officer Early Hire

Budget Impact

Vacant Ofc. Savings	July 2017 $10,390	Aug 1 – 16 $5,195			Total:	**$15,585**
Retiring Ofc. Savings	March 2018 $5,678.75	April 2018 $5,678.75	May 2018 $5,678.75	June 2018 $5,678.75	Total:	**$22,715**
Early Hire Ofc. Costs	Nov. 2017 ($8,107)	Dec. 2017 ($8,107)	Jan. 2018 ($8,107)		Total:	**($24,321)**
					Total Savings:	**$13,979**

Report to the City Council
Council Meeting of August 22, 2017

Agenda Section: **Consent**

Subject: **Consideration and approval of a resolution authorizing the City Manager to sign a joint contract between the City of St. Helena and the City of Calistoga with the Up Valley Family Centers to provide State mandated juvenile diversion services, not to exceed $25,000 annually.**

CEQA Determination: **Not a CEQA project**

Prepared By: William Imboden, Chief of Police

Reviewed By: Mark Prestwich, City Manager

Approved By: Mark Prestwich, City Manager

BACKGROUND

The cities of St. Helena and Calistoga have historically shared Juvenile Diversion Program services coordinated through the Boys and Girls Club of St. Helena and Calistoga. This program provides counseling, education, deterrence, and consequences for juveniles who commit minor offenses, in lieu of entering them into the juvenile court system. The program ended in May of 2017, and both cities began looking for a new Program Coordinator immediately thereafter.

DISCUSSION

With the passage of Proposition 64 (Recreational Adult Marijuana Use) in November of 2016 came a State mandate that each jurisdiction provide juvenile diversion to minors (under 18 years of age) found in possession of marijuana, rather than referring them directly to juvenile court. This mandated diversion had specific requirements that the Program address drug education and counseling, with specific time frames for first, second, and third offenses. The program Saint Helena and Calistoga had in place prior to May, 2017 did not meet these requirements.

The Calistoga and St. Helena Police Departments worked with the Juvenile Court to create a Juvenile Diversion Program meeting the State's requirements and the Court's desires. In doing this we also incorporated elements of our existing diversion program to address the juveniles who are arrested for offenses other than marijuana possession. We then solicited proposals from various agencies and private vendors to coordinate our new program.

Staff is recommending the City enter into a contract with the Up Valley Family Centers as they meet all the needs both police agencies identified as being important, including:

- Permanent full time facilities in both St. Helena and Calistoga
- Established community out reach programs
- Numerous bilingual employees, and
- Experience in both counseling and education services.

Additionally, Up Valley Family Centers submitted the lowest bid.

The Calistoga and St. Helena Police Chiefs worked with the Up Valley Family Centers to create a contract consistent with the needs of the Juvenile Court, the Proposition 64 mandate, and the agencies involved. The Program coordinator will be an employee of the Up Valley Family Centers and will report to their chain of commend. The Up Valley Family Centers will be responsible for supervising and maintaining the Coordinator position, and reporting out to the Chiefs of Police or their designee.

This contract was approved by the Calistoga City Council on July 11th, 2017.

FISCAL IMPACT

As an on-going budgeted item this program creates no additional costs to the City and is fully funded through the adopted FY 17/18 budget (101-4900-2130). No additional funds are requested.

RECOMMENDED ACTION

Staff recommends Council approval for the City Manager to sign a joint contract between the City of St. Helena and the City of Calistoga with the Up Valley Family Centers to provide State mandated juvenile diversion services, not to exceed $25,000 annually.

ATTACHMENTS

Attachment 2 - Juvenile Diversion Contract
Attchment 1 - Diversion Reso

PROFESSIONAL SERVICES AGREEMENT
Juvenile Diversion Program
Calistoga Authorizing Agreement No. 731
St. Helena Authorizing Agreement No. XXX

THIS PROFESSIONAL SERVICES AGREEMENT entered on this 1st day of August 2017, by and between the CITY OF CALISTOGA herein called CALISTOGA and the CITY OF ST. HELENA herein called ST. HELENA with the UPVALLEY FAMILY CENTERS of St. Helena and Calistoga herein called UPVALLEY FAMILY CENTERS.

Recitals

WHEREAS, CALISTOGA and ST. HELENA desires to employ/enter into an agreement with the UPVALLEY FAMILY CENTERS to furnish professional services in the coordination and management of a Juvenile Diversion Program and Drug/Alcohol Prevention Education Program services; and

WHEREAS, the UPVALLEY FAMILY CENTERS hereby warrants that they have the necessary expertise, experience, and qualifications to perform the services and duties described in the attached Scope of Work, Program, and Services; and

WHEREAS, CALISTOGA and ST. HELENA desire to retain the UPVALLEY FAMILY CENTERS pursuant to this Agreement to provide services described in Section 1 of this Agreement.

NOW, THEREFORE, in consideration of the promises and mutual obligations, covenants contained herein, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Agreement

SECTION 1 – **Scope of Services**

Subject to such police direction and approval as CALISTOGA and ST. HELENA through its staff may determine from time to time, the UPVALLEY FAMILY CENTERS shall perform the services set out in the "Scope of Work" attached hereto as Exhibit "A" and incorporated herein by reference.

SECTION 2 – **Additional Services**

The UPVALLEY FAMILY CENTERS shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to or outside of those set forth in this Agreement or Exhibit A, "Scope of Work" unless such additional services and compensation are authorized in advance and in writing by the City Council or City Managers of CALISTOGA or ST. HELENA.

SECTION 3 – **Time of Performance**

The term of this agreement shall be for a period of June XX, 2017 through June 30, 2020. Any changes to these dates must be approved in writing by the City Managers of CALISTOGA or ST. HELENA or their designees.

SECTION 4 – **Compensation and Method of Payment**

A. Compensation: Subject to any limitations set forth in this Agreement, CALISTOGA and ST. HELENA agrees to pay the UPVALLEY FAMILY CENTERS $25,000.00 each, per fiscal year, for the Juvenile Diversion Program and Drug/Alcohol Prevention Education Program services. Total annual compensation shall not exceed $50,000.00 unless additional compensation is approved in accordance with Section 2. This does not include equipment or specific training costs authorized by CALISTOGA or ST. HELENA or outlined in the "Scope of Work".

B. Timing of Payment: Billing for services may be made on a bi-annual basis. CALISTOGA and ST. HELENA shall review the UPVALLEY FAMILY CENTERS' invoice(s) for all work performed and expenses incurred during the invoice period and pay within 30 days of receipt of the invoice.

C. Changes in Compensation: The UPVALLEY FAMILY CENTERS will not undertake any work that will incur costs in excess of agreed amount of compensation.

D. Written Consent for Changes in Compensation: In case of changes affecting project scope resulting from new findings, unanticipated conditions, unanticipated regulatory changes, or other conflicts or discrepancies, the UPVALLEY FAMILY CENTERS shall promptly notify CALISTOGA and ST. HELENA of the identified changes and advise CALISTOGA and ST. HELENA of the recommended solution. UPVALLEY FAMILY CENTERS shall not receive compensation for work performed on such changes without prior written authorization from CALISTOGA or ST. HELENA.

E. Litigation Support: The UPVALLEY FAMILY CENTERS agrees to testify at CALISTOGA'S or ST. HELENA's request if litigation is brought against CALISTOGA or ST. HELENA in connection with the UPVALLEY FAMILY CENTERS' written report. Unless the action is brought by the UPVALLEY FAMILY CENTERS or is based upon the UPVALLEY FAMILY CENTERS' negligence, CALISTOGA and ST. HELENA will compensate the UPVALLEY FAMILY CENTERS for the preparation and the testimony at the UPVALLEY FAMILY CENTERS' standard hourly rates.

SECTION 5 – **<u>Ownership of Documents</u>**

CALISTOGA and ST. HELENA agree that all UPVALLEY FAMILY CENTERS materials may be or are protected proprietary documents and cannot be used by CALISTOGA or ST. HELENA during or after the expiration of this contract for the CALISTOGA's or ST. HELENA's use in implementing children's or teen programs of any kind by itself or any other agent without the expressed written permission of the UPVALLEY FAMILY CENTERS. CALISTOGA or ST. HELENA may retain ownership of all written reports compiled for CALISTOGA or ST. HELENA by the UPVALLEY FAMILY CENTERS during the length of this Agreement and may use them at their own discretion.

SECTION 6 – **<u>Employment of Other Consultants, Specialists, or Experts</u>**

The UPVALLEY FAMILY CENTERS may employ or otherwise incur obligations to pay other consultants, specialists, or experts for services in connection with this Agreement without the prior written approval of CALISTOGA or ST. HELENA. If said employment incurs an expense for which the UPVALLEY FAMILY CENTERS want CALISTOGA or ST. HELENA to pay, the UPVALLEY FAMILY CENTERS must first obtain prior written consent of CALISTOGA and ST. HELENA.

SECTION 7 – **<u>Interest of Consultant</u>**

A. UPVALLEY FAMILY CENTERS (including principals, associates, and professional employees) covenants and represents that it does not know have any investment or interest in real property and shall not acquire any interest, direct or indirect, in the area covered by this contract or any other source of income, interest in real property or investment which would be affected in any manner or degree by the performance of the UPVALLEY FAMILY CENTERS' services hereunder. The UPVALLEY FAMILY CENTERS further covenants and represents that in the performance of its duties hereunder no person having any such interest shall perform any services under this contract.

The UPVALLEY FAMILY CENTERS is not a designated employee within the meaning of the Political Reform Act because the UPVALLEY FAMILY CENTERS:

(1) will conduct research and arrive at conclusions with respect to his/her rendition of information, advice, recommendation or counsel independent of the control and direction of CALISTOGA, ST. HELENA, or any City Official, other than normal contract monitoring; and

(2) possesses no authority with respect to any City decision beyond the rendition of information, advice, recommendation or counsel. (FPPC Reg. 18700 (a)(2))

SECTION 8 – **Interest of Members and Employees of CALISTOGA or ST. HELENA**

No member of CALISTOGA or ST. HELENA and no other officer, employee or agent of CALISTOGA or ST. HELENA who exercises any functions or responsibilities in connection with the carrying out of any project to which this Agreement pertains, shall have any personal financial interest, direct or indirect, in this Agreement, nor shall any such person participate in any decision relating to this Agreement which affects his/her personal financial interests or the financial interest of any corporation, partnership or association in which he/she is directly or indirectly interested. Not withstanding this provision, members and employees of CALISTOGA or ST. HELENA may enroll their children in the programs offered by the UPVALLEY FAMILY CENTERS.

SECTION 9 – **Liability of Members and Employees of CALISTOGA or ST. HELENA**

No member of CALISTOGA or ST. HELENA and no other officer, employee or agent of CALISTOGA or ST. HELENA shall be personally liable to UPVALLEY FAMILY CENTERS or otherwise in the event of any default or breach of the City, or for any amount which may become due to the UPVALLEY FAMILY CENTERS or any successor in interest, or for any obligations directly or indirectly incurred under the terms of this Agreement.

SECTION 10 – **Mutual Indemnification**

CALISTOGA, ST. HELENA and the UPVALLEY FAMILY CENTER hereby agrees to mutually defend, indemnify and save harmless each other's officers, employees, agents, and servants, from and against any and all claims, liability or obligations based on negligence or willful misconduct brought on account of or arising out of any acts, errors or omissions of either party undertaken pursuant to this Agreement, when a party has no direct or indirect duty to injured party otherwise. CALISTOGA and ST. HELENA has no liability or responsibility for any accident, loss or damage to any work performed under this Agreement whether prior to its completion and acceptance or otherwise. CALISTOGA, ST. HELENA, and the UPVALLEY FAMILY CENTERS' duty to indemnify and hold harmless, as set forth herein, shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

SECTION 11 – **UPVALLEY FAMILY CENTERS not an Agent of CALISTOGA or ST. HELENA**

CALISTOGA and ST. HELENA retain all rights of approval and discretion with respect to the projects and undertakings contemplated by this Agreement. UPVALLEY FAMILY CENTERS, its officers, employees, and agents shall not have any power to bind or commit CALISTOGA or ST. HELENA to any decision.

SECTION 12 – **Independent Contractor**

It is understood that the UPVALLY FAMILY CENTERS, in the performance of the work and services agreed to be performed by UPVALLEY FAMILY CENTERS; and as an independent contractor, UPVALLEY FAMILY CENTERS shall obtain no rights to retirement benefits or other benefits which accrue to

CALISTOGA and ST. HELENA employees, and the UPVALLEY FAMILY CENTERS hereby expressly waives any claim it may have to any such rights.

SECTION 13 – **Compliance with Laws**

A. General: UPVALLEY FAMILY CENTERS shall use the standard of care in its profession to comply with all applicable federal, state, and local laws, codes, ordinances and regulations. UPVALLEY FAMILY CENTERS represents and warrants to CALISTOGA and ST. HELENA that it has all licenses, permits, qualifications, insurance and approvals of whatsoever nature, which are legally required for the UPVALLEY FAMILY CENTERS to practice its profession. UPVALLY FAMILY CENTERS represents and warrants to CALISTOGA and ST. HELENA that the UPVALLEY FAMILY CENTERS shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement any licenses, permits, insurance and approvals which are legally required for the UPVALLEY FAMILY CENTERS to practice its profession.

B. Special Rules for Employees Working with Children: UPVALLEY FAMILY CENTERS agree that it will assure that each employee or volunteer hired for a position having supervisory or disciplinary authority over any minor must 1) complete an application that inquires as to whether or not that individual has been convicted of any offenses as specified in the California Penal Code, 2) submit to a screening for that person's criminal background, and 3) provide a set of fingerprints, which may be taken by CALISTOGA or ST. HELENA. UPVALLEY FAMILY CENTERS further agrees to comply with all applicable laws and regulations regarding working with children, including but not limited to the provisions of the California Public Resources Code, Section 5164 and the California Penal Code section 11105.3 discussed herein. Failure to comply with any of these provisions with any of these provisions will be deemed a material breach of this Agreement.

C. Workers Compensations: UPVALLEY FAMILY CENTERS certifies that it is aware of the provisions of the California Labor Code, which require every employee to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and the UPVALLEY FAMILY CENTERS certifies that it will comply with such provisions before commencing performance of this Agreement.

D. Injury and Illness Prevention Program: UPVALLEY FAMILY CENTERS certifies that it is aware of and has complied with the provisions of the California Labor Code Section 6401.7, with requires every employer to adopt a written injury and illness prevention program.

E. CALISTOGA and ST. HELENA not responsible: CALISTOGA and ST. HELENA are not responsible or liable for UPVALLEY FAMILY CENTERS' failure to comply with an and all of said requirements.

SECTION 14 – **Confidential Information**

A. All data, documents, discussions or other information developed or received by or for the UPVALLEY FAMILY CENTERS in performance of this Agreement are confidential and not to be disclosed to any person except as authorized by CALISTOGA or ST. HELENA or as required by law.

B. The UPVALLEY FAMILY CENTERS, its officers, employees, agents or subcontractors, shall not without prior written authorization form the City Manager(s) or unless requested by City Attorney of CALISTOGA or ST. HELENA, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this agreement. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives CALISTOGA or ST. HELENA notice of such court order or subpoena.

C. If the UPVALLEY FAMILY CENTERS, or any officer, employee, agent or subcontractor of the UPVALLEY FAMILY CENTERS provides any information or work product in violation of this Agreement, then CALISTOGA and/or ST. HELENA shall have the right to reimbursement and indemnity from the UPVALLEY FAMILY CENTERS for an damages, costs and fees, including attorney's fees, caused by or incurred as a result of the UPVALLEY FAMILY CENTERS' Conduct.

SECTION 15 – **Insurance**

A. Minimum Scope of Insurance

(1) UPVALLEY FAMILY CENTERS agrees to have and maintain, for the duration of the contract, a General Liability Insurance police insuring him/her and his/her firm to an amount not less than One Million ($1,000,000.00) combined single limit per occurrence and is the aggregate for bodily injury, personal injury and property damage.

(2) UPVALLEY FAMILY CENTERS agrees to have and maintain for the duration of the contract an Automobile Liability insurance policy insuring him/her and his/her staff to an amount not less than Five Hundred Thousand Dollars ($500,000.00) combined single limit per accident for bodily injury and property damage.

(3) UPVALLEY FAMILY CENTERS shall maintain professional errors and omissions liability insurance for protection against claims alleging negligent acts, errors or omissions which may arise from the UPVALLEY FAMILY CENTERS' operations under this Agreement, whether such operations be by the UPVALLEY FAMILY CENTERS or by its employees, subcontractors, or sub-consultants. The amount of this insurance shall not be less than Two Million Dollars ($2,000,000.00) on a claims-made annual aggregate basis.

(4) A Worker's Compensation and Employers' Liability policy written in accordance with the laws of the State of California and providing coverage for any and all employees of the UPVALLEY FAMILY CENTERS.

a. This policy shall provide coverage for Workers' Compensation (Coverage A).

b. This policy shall also provide coverage for One Hundred Thousand ($100,000.00) Employer's Liability (Coverage B).

(5) All of the following endorsements are required to be made a part of each of the required policies, except for the Professional Liability and Worker's Compensation and Employers' Liability policies, as stipulated below:

a. "The City of Calistoga and City of St. Helena, their employees, officers, agents and contractors are hereby added as additional insureds, but only as respects work done by, for on behalf of named insured."

b. "This policy shall be considered primary insurance as respects any other valid and collectible insurance the Cities may possess, including any self-insured retention the Cities may have, and any other insurance the Cities does possess shall be considered excess insurance only and shall not contribute with it."

c. "This insurance shall act for each insured and additional insured as though a separate policy had been written for each. This, however, will not act to increase the limit of liability of the insuring company."

(6) UPVALLEY FAMILY CENTERS shall provide to CALISTOGA and ST. HELENA all certificates of insurance with original endorsements affecting coverage required by this paragraph. Certificates of such insurance shall be filed with the Cities on or before commencement of performance of this Agreement. CALISTOGA and ST. HELENA reserves the right to require complete, certified copies of all required insurance policies at any time.

B. General Liability

(1) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to CALISTOGA or ST. HELENA, their officers, officials, employees or volunteers.

(2) UPVALLEY FAMILY CENTERS' insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.

C. <u>All Coverages:</u> Each insurance policy required in this item shall provide that coverage shall not be canceled, except after 30 days' prior written notice by certified mail, return receipt requested, has been given to CALISTOGA and ST. HELENA. Current certification of such insurance shall be kept on file with the Cities' Secretaries at all times during the term of this Agreement.

D. <u>Acceptability of insurers</u>: Insurance is to be placed with insurers with a A.M. Best rating of no less than A:VII.

E. <u>Deductibles and Self-Insured Retentions</u>: Any deductibles or self-insured retentions must be declared to and approved by CALISTOGA and ST. HELENA. At the Cities' option, the UPVALLEY FAMILY CENTERS shall demonstrate financial capability for payment of such deductibles or self-insured retentions.

SECTION 16 – **<u>Assignment Prohibited</u>**

Neither CALISTOGA, ST. HELENA or the UPVALLEY FAMILY CENTERS may assign any right or obligation pursuant to this Agreement. Any attempted or purported assignment of any right or obligation hereunder shall be void and of no effect.

SECTION 17 – **<u>Termination of Agreement</u>**

A. This Agreement and all obligations hereunder may be terminated at any time, with or without cause, by either of the three parties upon written notice to each of the three parties of this agreement upon 30 days written notice.

B. If the UPVALLEY FAMILY CENTERS fails to perform any of its material obligations under this Agreement, in addition to all other remedies provided by law, CALISTOGA or ST. HELENA may terminate this Agreement upon written notice.

C. Upon termination with or without cause, all finished and unfinished documents, project data and reports shall, at the option of the CALISTOGA and ST. HELENA, become its sole property, at the UPVALLEY FAMILY CENTERS expense, be delivered to the respective Cities or to any party they may so designate.

D. In the event termination is without cause, the UPVALLEY FAMILY CENTERS shall be entitled to any compensation owing to it hereunder up to the time of such termination, it being understood that any payments are full compensation for services rendered prior to the time of payment; provided, however, that the UPVALLEY FAMILY CENTERS shall be entitled to compensations for work in progress at the time of termination.

SECTION 18 – **Amendment**

This Agreement constitutes the complete and exclusive statement of the Agreement to CALISTOGA, ST. HELENA, and the UPVALLEY FAMILY CENTERS. It may be amended or extended from time to time by written agreement of the parties hereto.

SECTION 19 – **Litigation Costs**

If either party becomes involved in litigation arising out of this Agreement or the performance thereof, the court in such litigation shall award reasonable costs and expenses, including attorneys' fees, to the prevailing party. In awarding attorneys' fees, the court will not be bound by any court fee schedule, but shall, if it is in the interest of justice to do so, award the full amount of costs, expenses, and attorneys' fees paid or incurred in good faith.

SECTION 20 – **Time of the Essence**

Time is of the essence of this Agreement, however, the UPVALLEY FAMILY CENTERS shall not be held responsible for delays caused by acts outside of the UPVALLEY FAMILY CENTERS control.

SECTION 21 – **Written Notification**

Any notice, demand, request, consent, approval or communications that either party desires or is required to give to the other party shall be in writing and either served personally or sent by prepaid, first class mail. Any such notice, demand, etc. shall be addressed to the other parties at the address set forth here in below. Either party may change its address by notifying the other parties of the change of address. Notice shall be deemed communicated within 48 hours from the time of mailing if mailed as provided in this section.

If to CALISTOGA:	City of Calistoga City Manager 1232 Washington Street Calistoga, CA 94515
If to ST. HELENA:	City of St. Helena City Manager 1481 Main Street St. Helena, CA 94574
If to UPVALLEY FAMILY CENTERS:	UpValley Family Centers Executive Director 1440 Spring Street St. Helena, CA 94574

SECTION 22 – **UPVALLEY FAMILY CENTERS' Books and Records**

A. UPVALLEY FAMILY CENTERS shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, or expenditures and disbursements charged to CALISTOGA or ST. HELENA for a minimum of three (3) years, or for a longer period required by law, from the date of final payment to the UPVALLEY FAMILY CENTERS to this Agreement.

B. UPVALLEY FAMILY CENTERS shall maintain all documents and records, which demonstrate performance under this Agreement for a minimum period of three (3) years, or for any longer period required by law, from the date of termination or completion of this Agreement.

C. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during regular business hours, upon written request by the CALISTOGA or ST. HELENA's City Attorney, City Auditor, City Manager, or a designated representative of any of these officers. Copies of such documents shall be provided to CALISTOGA and ST. HELENA for inspection at their respective City Halls when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at the UPVALLEY FAMILY CENTERS address indicated for receipt of notice of Agreement.

D. Where CALISTOGA or ST. HELENA has reason to believe that such records or documents may be lost or discarded due to dissolution, disbandment or termination of the UPVALLY FAMILY CENTERS' business, the Cities may, by written request by any of the above named officers, require that custody of the records be given to CALISTOGA or ST. HELENA and that such records and documents be maintain at their respective City Halls. Access to such records and documents shall be granted to any party authorized by the UPVALLEY FAMILY CENTERS, their representatives, or UPVALLEY FAMILY CENTERS' successor in-interest.

SECTION 23 – **Equal Employment Opportunity**

The UPVALLEY FAMILY CENTERS is an equal opportunity employer and agrees to comply with all applicable state and federal regulations governing equal employment opportunity. UPVALLEY FAMILY CENTERS will not discriminate against any employee or applicant for employment because of race, age, sex, creed, color, sexual orientation, marital status or national origin. UPVALLEY FAMILY CENTERS will take affirmative action to ensure that applications are treated during such employment without regard to race, age, sex, creed, color, sexual orientation, marital status or national origin, or any other class protected by law. Such action shall include, but not limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; lay-offs or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The UPVALLEY FAMILY CENTERS further agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of the nondiscrimination clause.

SECTION 24 – **Waiver**

No failure on the part of either party to exercise any right or remedy hereunder shall operate as a waiver of any other right or remedy that parties may have hereunder.

SECTION 25- **Captions**

Captions to sections of this Agreement are for convenience purposes only, and are not part of this Agreement.

SECTION 26 – **Execution**

This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one copy hereof shall have been signed by all parties hereto. In approving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

SECTION 27 – **Right of Entry**

CALISTOGA and ST. HELENA reserves the right to enter its property at the site where the UPVALLEY FAMILY CENTERS is providing services in performance of this agreement at all times by its agents, employees and representatives.

SECTION 28 – **Venue**

In the event that suit shall be brought by either party hereunder, the parties agree that trial of such action shall be held exclusively in a state court in the County of Napa, California.

IN WITNESS THEREOF, CALISTOGA, ST. HELENA, and the UPVALLEY FAMILY CENTERS have executed this Agreement as of the date first above written.

CITY OF CALISTOGA

By: ______________________
Dylan Feik
City Manager

CITY OF ST. HELENA

____
Mark Prestwich
City Manager

UPVALLEY FAMILY CENTERS

____
Jenny Ocon
Executive Director

ATTEST:	ATTEST:
_________________________	_________________________
Kathy Flamson	Cindy Black
Calistoga City Clerk	St. Helena City Clerk

CITY OF ST. HELENA

RESOLUTION NO. 2017-

Resolution Authorizing Approval for the City Manager to sign a joint contract between the City of Saint Helena and the City of Calistoga with the Up Valley Family Centers to provide State mandated juvenile diversion services, not to exceed $25,000 annually.

RECITALS

A. The City of St. Helena desires to maintain a Juvenile Diversion Program; and

B. The State of California mandates each jurisdiction provide Juvenile Diversion for Marijuana related offenses; and

C. The City of Saint Helena looks for ways to share program services with the city of Calistoga; and

D. The Saint Helena and Calistoga Police Departments successfully shared Juvenile Diversion services in the past; and

E. The Juvenile Diversion Program is an existing, budgeted item for FY 17/18

F.

RESOLUTION

The City Council of the City of St. Helena hereby resolves as follows:

1. Approves the City Manager to sign a joint contract between the City of Saint Helena and the City of Calistoga with the Up Valley Family Centers to provide State mandated juvenile diversion services, not to exceed $25,000 annually.

Approved at a Regular Meeting of the St. Helena City Council on August 22nd, 2017, by the following vote:

Mayor Galbraith:	___________
Vice Mayor White:	___________
Councilmember Koberstein:	___________
Councilmember Dohring:	___________
Councilmember Ellsworth:	___________

APPROVED: ATTEST:

Alan Galbraith, Mayor
Cindy Black, City Clerk

Report to the City Council
Council Meeting of August 22, 2017

Agenda Section: **New Business**

Subject: **Review, Discuss and Provide Direction to Staff and Hansford Economic Consulting on Revised Utility Rate Study**

CEQA Determination: **Exempt from the requirements of CEQA under the "General Rule", Section 15061 (b)(3), in that it can be seen with certainty that the proposed action will have no impact on the environment.**

Prepared By: April Mitts, Finance Director

Reviewed By: Mark Prestwich, City Manager

Approved By: Mark Prestwich, City Manager

BACKGROUND

On November 29, 2016, City Council adopted new utility rates for the City of St. Helena. Due to community and City Council concerns following adoption of the new rates, the City Council established an Ad Hoc Water and Wastewater Committee to review the Water and Wastewater Study dated October 31, 2016 and make recommendations, if any, to the Council for revisions to the Study and possible adjustments to the adopted rates.

The Utility Rate Ad Hoc Committee met numerous times during April and May 2017 and presented their recommendations to City Council at a Special Meeting held June 19, 2017 (Attachment 1). The City Council discussed each recommendation and provided the following direction to staff and Hansford Economic Consulting (HEC):

1. Update Capital Improvement Program (CIP) costs and schedules with best available current information.
2. Move the update of the Water and Wastewater Master Plan to FY 17/18.
3. Keep the Water and Wastewater mainline replacement to 1% per annum until the Master Plan is updated.
4. Accept new spray field cost of $1.4 million.

5. Seek timely compliance with bond covenants.
6. Use a debt service ratio of 1.3 to 1.5 as a guideline when pursuing new debt.
7. Maximize the use of state and federal loans/grants for CIP projects and begin the process to obtain loans and grants.
8. Prioritize CIP funding in terms of regulatory and infrastructure needs. Request guidance from financial consultant to pursue other funding options including municipal bonds. Seek the guidance of financial consultant to attain a balance between debt and cash financing.
9. Keep depreciation in the rate model for purposes of rehabilitation.
10. Operating cash reserves should range from 6-8 months for Wastewater and 10-14 months for Water.
11. Replace the current Wastewater rate structure with the Modified Rate Structure previously offered as an option to the current rate structure by Hansford Consulting in 2016.
12. Change non-residential Wastewater use to be the annual average (instead of winter average).

Additionally, there were several recommendations by the Utility Rate Ad Hoc Committee that the City Council felt were important, but not a priority at this time. These included:

1. Consider requiring new businesses to put in a sewer meter and two water meters (inside and landscape) for more accurate measurement. City Council directed this is something staff should keep in mind for the next rate study in 3-5 years
2. Revisit the subject of multiple users on a single meter. City Council directed this as an area for further research and not as critical since the proposed modified rate structure reverts to charging the Wastewater base fee on the meter size and not on the type of business
3. Examine the issue of Water rates for intermittently occupied versus continually occupied residences, work towards including more costs in the base rates. City Council directed to not look at this at this time.
4. Examine the longer range issues of charging some users more based on the actual costs to provide service, with particular emphasis on those outside the City. City Council directed staff to research this topic further but not include the revisions to the proposed modified rate structure. In the future, the City can review the actual cost of delivery (if possible) and, if applicable, charge more to certain sections of the City. This item will be included in the Public Works RFP for a Water and Wastewater Master Plan.
5. Review businesses for actual Wastewater usage. Move away from charging by meter size and move towards flow and quality. City Council directed this could possibly be done in the future.

DISCUSSION

Since the City Council direction on June 19, 2017, staff and HEC have been working to create a modified Utility Rate Study. Below is a summary of what has been completed as well as what still needs to be done, along with the anticipated timeline:

Completed Items:

- Wastewater database (classification issues) with the exception of wineries are in the model
- Updated financial information for operating funds
- Updated CIP for both funds including General Fund contribution for Upper York Creek Dam removal ($800,000 for 2 years totaling $1.6 million)

Remaining Items to Complete:

- Complete winery on-site visits (City) and determine wastewater discharge for each (City and HEC) – it is anticipated staff will have this to HEC by August 16th
- Update impact fee and capital fee funds financial information – HEC has the information and is adding it to the model
- One-day meeting with municipal financial advisor Ken Dieker and HEC to:
  - Determine bond vs. cash funding
  - Refunding of existing debt
  - Achieve debt service ratio of 1.3 to 1.5
  - Meet operating cash reserves of 6-8 months for the Wastewater Fund and 10-14 months for the Water Fund
- It is anticipated HEC and Ken Dieker can meet towards the end of August. Following that meeting, HEC needs 1 to 2 weeks to prepare summaries of the proposed modified rate schedules and show the impact on different customer classes.
- Prepare materials and staff report – one week

The analysis remains on an aggressive time schedule. To comply with Proposition 218 requirements for adoption of new rates prior to the approved November 8, 2017 increase, the City Council will be required to approve the proposed rates and authorize to proceed no later than September 12, 2017. Staff would then mail out the required notice on September 13th and a Special Meeting of the City Council would need to take place between October 28 and October 30, 2017 for adoption of the new rates (if less than a 50% protest is received). This will allow one week for staff to revise the rate schedules in the financial software system.

In addition to the work directed by City Council, staff and HEC have continued to review customer classifications of wastewater accounts. Additional information has been brought forward and staff is working on solutions to ensure customers are equitably charged for their use of the Wastewater system, to the maximum extent practicable, as required by law. Wastewater classification changes that have occurred since May 2017 are summarized below. To protect customer confidentiality, staff has not disclosed customer names associated with the accounts that have been reclassified.

- Account A was moved from Commercial to Motel w/out Food. The building was converted from common areas and offices to a dormitory several years ago.
- Account B was changed from Mixed Retail w/ Food to Commercial. The account has two businesses, neither of which sell food, and both of which have low wastewater strength. The account also has much lower flow than other Mixed Retail w/ Food accounts.

- Account C was changed from Service Station to Mixed Retail w/ Food. While previously a service station, the account is now a winery tasting room and offices. The winery also prepares food at the location for special events.
- Accounts D and E were changed from Commercial to Motel w/out Food. These two accounts serve the same bed and breakfast establishment. The accounts were changed because Commercial customers have lower strength wastewater parameters than Motel w/out Food and the flow for the accounts is similar to that of accounts classified as Motel w/out Food.
- Account F was changed from Commercial to Residential. The account is a two-unit residential rental with flow very similar to a typical residential account. Residential users have higher strength wastewater parameters than commercial users.
- Account G was changed from Commercial to Mixed Retail w/Food. The account has a hair salon and grocery/deli.

Discussion and Direction to Staff and HEC

Staff and HEC are requesting City Council direction on the following items as they relate to the revised Utility Rate Study:

1. HEC and staff recommend changing the Motel w/ Food and Motel w/out Food classifications to Lodging with Restaurant and Lodging without Restaurant. Currently only one account in St. Helena refers to itself as a motel; lodging is recommended as a more accurate description for these customers. In addition, “Food” refers to preparation of food in large quantities that generates greater than residential strength wastewater, which would be a restaurant. Discussion has also taken place to break down this category by the number of rooms/units available per establishment.
2. HEC and staff recommend splitting the category Mixed Retail with Food into 2 categories: (1) Mixed Retail 1-3 units and (2) Mixed Retail 4 units and over. Although customers in this category have similar wastewater strength, there is large variation in flow for accounts. Separating Mixed Retail by number of establishments served provides more equitable cost allocation between accounts with low and high flows.
3. HEC and staff recommend changing non-residential wastewater usage to actual consumption instead of average consumption. The Utility Rates in place prior to November 29, 2016 charged non-residential users their actual usage. The adoption of the rates on November 29, 2016 changed non-residential wastewater use based on the winter average. City Council direction on June 19, 2017 changed the direction to average annual usage. Although the actual use and the average annual use would equal the same amount, it is suggested that non-residential users revert back to using actual consumption of water to determine the wastewater usage, because the average annual use would be based on prior year consumption rather than current year consumption.
4. Winery Classifications – Wastewater classifications for wineries are currently broken down into two categories:

a. Winery Production (Merryvale/Spottswoode)
b. Sutter Home Winery

The basis for the two categories is that one pre-treats its wastewater and the other category does not pre-treat its wastewater.

Following the rates adopted on November 29, 2016, additional information has been gathered regarding wastewater flow. While examining this particular classification was not part of the direction received on June 19th, it is a critical component to the rate modeling by HEC. Since the adoption of the rates, it was found that St. Helena's historical winery classifications do not characterize current operations well. Consequently, winery customers are over and undercharged for their use of the City's wastewater system. More importantly, incorrect cost allocation to wineries affects cost allocations to all other customers. In the following case studies, domestic wastewater or effluent refers to any effluent coming from sinks, toilets, showers or other sources not related to wine production. The following work has been, and continues to be, researched and rectified:

a. Winery A – As a condition of approval, this winery is required to "Hold and Haul" all effluent associated with the production of wine and domestic wastewater is plumbed separately and sent directly to the Wastewater Treatment and Reclamation Plant (WWTRP). This information was brought forward after the current rates were adopted. Staff have worked with this winery to calculate the amount of water used by this winery and the amount of waste hauled away to determine how much wastewater is being sent to the WWTRP. Additionally, this winery uses both well and City water. The winery plans to use well water for all of its wine production and City water for domestic uses. It is anticipated that the customer will be charged the following monthly fees: Water base fee, Water use fee, and Wastewater base fee. Periodically (quarterly, semi-annually, or annually), staff will work with the winery to review water service quantities and Hold and Haul records to determine appropriate wastewater charges. The winery will then be sent a supplemental bill for wastewater use based on water meter records, winery production records, and best information on the amount of wastewater sent to the WWTRP.

b. Winery B – This winery currently uses well and City water for the production of wine; all effluent associated with the production of wine is pre-treated onsite by the winery then plumbed to the WWTRP. Domestic effluent is plumbed separately and sent directly to the WWTRP. Staff has worked with the winery to obtain data on the amount of well water used annually and the amount of effluent treated onsite annually. Additional data is still needed to gain a better understanding of the water and wastewater trends for this business. The current rate model bases wastewater use off of the metered water use and does not take into account any water used from wells that is subsequently plumbed and treated at the WWTRP. Staff has obtained 2016 data on water treatment (City and well water) and it waiting for additional years of data. Once this is received wastewater use charges will be calculated and a supplemental (quarterly, semi-annually, or annually) bill issued to the winery. Additionally, staff will develop a method of payment similar to Winery A to determine monthly and supplemental bills going forward.

c. Winery C – There are two wineries that pre-treat the effluent from wine production before it is sent to the City's treatment plant. Domestic effluent is plumbed separately and sent directly to the WWTRP. Both of these wineries remove solids and treat the water to maintain optimum Ph. Staff is still evaluating the best solution to determine the correct amounts of effluent being sent to the treatment plant. This may include an approach similar to Wineries A & B, and may include metering effluent or basing the wastewater use fee on other data.

Because this system of classification does not accurately capture the wineries. Staff is seeking direction from City Council on the best solution for winery classification.

5. Discussion of feasibility of completing the Proposition 218 process prior to the next scheduled rate increase. While staff and HEC continue to work towards the goal of meeting the deadline for the revised Rate Structure to be in place prior to the next scheduled increase in November 2017, it is an aggressive timeline. Staff has consulted with HEC and it would be possible to pause the rate increase or modify the scheduled increase (e.g. 50%) for an established duration (e.g. 1 to 2 months) to give adequate time to present the Modified Rate structures to City Council as well as to comply with the Proposition 218 process. This pause, or partial increase, can be done because under the current rate structure it is anticipated the City would be in compliance with its bond covenants by June 2018. If the Council postpones the November increase, HEC can build the resulting loss of revenue into its rate model, thereby allowing the bond covenants to be met by the same June 2018 date.

FISCAL IMPACT

None at this time.

RECOMMENDED ACTION

Staff and Hansford Consulting is seeking further direction and feedback from City Council in regard to the revised Utility Rate Study.

ATTACHMENTS

Attachment 1 - Ad Hoc Recommendations to City Council

Attachment 1

Recommendations to the City Council from the Ad Hoc Utility Rate Committee

Background

The Ad Hoc Utility Rate Committee was appointed by and received direction from the City Council to review the Water and Wastewater Study dated October 31, 2016. We were directed to make recommendations, if any, to the Council for revisions to the Study and potential adjustments to the rates adopted on November 29, 2016. The Committee began meeting on April 10, 2017. Committee members were: Chair Bonnie Long, Vice Chair Tom Vence, Chris Dann, Lester Hardy, Joel Gott, Doug Cutting and Mark Smithers. We held our 9th and final meeting on May 31, 2017. Chris Dann was on the East Coast and unable to attend.

The committee has listened to public comments at all of our meetings, asked questions and received input from staff and consultants, and reviewed and discussed written recommendations from all seven committee members.

There was consensus from the six committee members attending our last meeting that adjustments need to be made to the current rates. With that in mind, we reviewed the individual recommendations submitted by committee members and made the following determinations based on Council direction.

This is a recitation of recommendations made by the committee at our final meeting as recorded by City Clerk Cindy Black, Finance Director April Mitts and Committee Chair Bonnie Long.

Recommendations

All recommendations were endorsed by the Committee with the exception of Doug Cutting in opposition to number 11. Some of these recommendations are based solely on the pressing needs of our systems. Others are also concerned with generally accepted principles. And a few are tinged with our attempt to provide unique solutions to our unique problems. Without testing the recommendations that follow the Committee can only assure the Council that these are our best predictions.   Testing these proposals by running new rate scenarios is needed before implementation of any or all is contemplated.

Attachment 1

1. Increase CIP for water and waste water costs by 5%.
2. Update CIP costs and schedules with best available current information.
3. Increase water and waste water mainline replacement to 4% per annum from 1%.
4. Accept new spray field cost of $1.4M.
5. Seek timely compliance with bond covenants.
6. When pursuing new debt use debt service ratio of 1.3 to 1.5 as guideline.
7. Maximize the use of state and federal loans and grants for CIP projects.
8. Prioritize CIP funding in terms of regulatory and infrastructure needs. Request guidance from financial consultant to pursue other funding options including municipal bonds. Seek the guidance of financial consultant to attain a balance between debt and cash financing
9. Create adequate sinking funds and rehabilitation funds for both water and waste water.
10. Operating cash reserves should range from 6-8 months for waste water and 10-14 for water.
11. Replace the current wastewater rate structure with the Modified Rate Structure previously offered as an option to the current rate structure by Catherine Hansford in 2016.
12. Update and recalculate the rate model to include the committee's recommendations.
13. Consider requiring new businesses to put in a sewer meter and two water meters (inside and landscape) for more accurate measurement.
14. Revisit the subject of multiple users on a single meter.
15. Examine the issue of water rates for intermittently occupied versus continually occupied residences. Work towards including more costs in the base rates.
16. Examine the longer range issue of charging some users more based on the actual costs to provide service, with particular emphasis on those outside of the City.
17. Review businesses for actual wastewater usage. Move away from charging by meter size and move towards flow and quality.

Respectfully Submitted:
Bonnie Long, Chair, Ad Hoc Utility Rate Committee
Tom Vence, Vice Chair, Ad Hoc Utility Rate Committee

Report to the City Council
Council Meeting of August 22, 2017

Agenda Section: **New Business**

Subject: **Discussion and Council Direction of the Proposed Facilities Condition and Needs Assessment RFP**

CEQA Determination: **Not a CEQA project**

Prepared By: Noah Housh, Planning & Community Improvement Director

Reviewed By: Mark Prestwich, City Manager

Approved By: Mark Prestwich, City Manager

BACKGROUND

In response to recent discussions regarding the potential sale and/or development of the City-owned Adams Street parcel, the City Council approved a multi-part motion on July 11, 2017, directing staff to expand on the available information regarding City owned properties. One method to expand on the available information, requested by the Council, was to perform an evaluation of the existing City owned buildings. The stated goal of this evaluation was to identify viable options for how to best pursue repair, replacement, relocation and/or combination of these facilities to best meet the needs of the organization, as well as provide estimates for the costs associated with each of these options.

Specifically, the approved motion directed staff to:

A. Prepare an RFP (for Council discussion and approval) to evaluate the present conditions and future requirements of the City's municipal properties and facilities, among other things. The stated goal of this evaluation was to identify viable options for how to best pursue repair, replacement, relocation and/or combination of these facilities to best meet the needs of the organization, as well as provide estimates for the costs associated with each of these options with the goal of bringing this RFP before the Council at their first meeting in September; and

D. Agendize an Adams Street Property discussion item to provide updates to the Council and public on the property, provide opportunities for resident questions and input and to set future agendas, including expanding into a "Town Hall" meeting format as appropriate; and

E. Appoint a temporary Council subcommittee of 2 members to work with staff on the preparation of the Facilities and Needs RFP, determine a development timeline, identify areas for coordination and consider options that arise from the RFP and financial reports; and

DISCUSSION

Based upon this Council direction, staff has drafted the attached Request for Proposals (RFP) to request proposals from qualified consultants for comprehensive Facilities Condition and Needs Assessment (FCNA) services. The FCNA will compile a comprehensive inventory of all City-owned buildings including their systems and components, identify current conditions and deficiencies and evaluate the structural integrity and physical state of each building. The FCNA is intended to both assess the ability of each of these buildings to serve the current needs of the City, analyze the current state and condition of each of these buildings, and make recommendations regarding the adequacy of each element. Further, respondents will be asked to identify if these buildings are under or over-utilized in their current capacity.

Respondents will also be tasked with providing financial analysis such as providing current market values of City-owned properties based on current zoning and best use, estimate replacement and/or renovation costs of each building, and project on-going maintenance costs based on their findings and recommendations. Finally, proposals shall include a suggested priority list and timeline for accommodating the recommended renovations, consolidation and/or replacement.

Staff is requesting Council input on the scope of the RFP, including the list of facilities intended to be analyzed (attached).

To date, staff has agendized the on-going discussion item on the Council's present and future agendas, and the City Council has voted to create the sub-committee which consists of Council Members Koberstein and Dohring, satisfying element D. and E. of the motion discussed above. Should the Council approve issuance of the attached RFP, this will satisfy element A. of the approved motion.

FISCAL IMPACT

There is no direct fiscal impact to the General Fund as a result of the preparation of the FCNA RFP, other that the staff time necessary to draft the document and manage the response and review process. However, their will obviously be a direct cost associated with the preparation of the FCNA.

While staff has not identified a specific cost estimate for the analysis requested in the draft FCNA RFP, a comparison of a similar facilities and needs assessment RFP (conducted by the City of Stockton) identified a $0.20 per square foot cost. However, staff cannot confirm if this is an accurate projection of the costs for the services (due to potential economies of scale, existing documentation jurisdiction facilities, proximity to FCNA service providers, etc.) requested by the City of St Helena FCNA RFP.

Based on the current scope of the proposal (108,794 square feet), this would result in an approximate cost of $21,758. However this estimate includes the total square footage of Lyman Park (not an actual structure), and therefore is provided purely as an example price for such services, rather than an estimate of the actual costs for the City's requested FCNA.

RECOMMENDED ACTION

It is recommended that the City Council:

1. Review the proposed draft RFP and provide direction regarding it's implementation; and

2. Authorize the City Manager to issue the RFP, review and rank the responses in consultation with the Council's subcommittee and recommend a firm to conduct the FCNA.

ATTACHMENTS

2. Facilities RFP (2017)-NJH
3. Exhibit A - Facilites Photo Inventory
3. Exhibit A - Facilities List

CITY OF ST. HELENA

PUBLIC WORKS DEPARTMENT

REQUEST FOR PROPOSALS FOR PROFESSIONAL SERVICES

FACILITIES CONDITION & NEEDS ASSESSMENT

DATE ISSUED: August 31, 2017

DATE DUE: October 2, 2017

CONTACT: Erica Ahmann Smithies, Director of Public Works/City Engineer

esmithies@cityofsthelena.org

(707) 968-2629

ALL RESPONSES MUST BE MAILED OR HAND-DELIVERED TO:

CITY OF ST. HELENA

OFFICE OF THE CITY CLERK

ATTENTION: CINDY BLACK

1480 MAIN STREET

ST. HELENA, CA 94574

TABLE OF CONTENTS

B. SAMPLE CITY OF ST. HELENA PROFESSIONAL SERVICES CONTRACT
C. SUMMARY OF INDIVIDUAL CITY FACILITIES TO BE EVALUATED

I. INTRODUCTION

The City of St. Helena, California is located in the center of the world-famous wine growing Napa Valley, 65 miles north of San Francisco.

The area was settled in 1834 as part of General Vallejo's land grant. The City of St. Helena was incorporated as a City on March 24, 1876 and reincorporated on May 14, 1889.

The City, from its inception, has served as a rural agricultural center. Over the years, with the growth and development of the wine industry, St Helena has become an important business and banking center for the wine industry. The City also receives many visitors as a result of the wine industry and the area's scenic qualities. The City's goal is to maintain a small-town atmosphere and to provide quality services to its citizens.

The official population of the City of St. Helena as of 2017 is 6,033 (CA Department of Finance). St. Helena is a full-service city and encompasses an area of four square miles. The City's General Fund Budget is approximately $11.1 million.

II. SOLICITATION

The City of St. Helena is seeking proposals from qualified consultants to provide comprehensive, professional Facilities Condition and Needs Assessment (FCNA) services for approximately thirteen buildings/structures/sites, totaling approximately 108,794 square feet (Attachment A). The inventory includes; municipal government offices, the City Fire Station, law enforcement facilities, the City library, sewer and water treatment facilities, corporation yard, storage facilities and one city park.

The purpose of the FCNA is to provide comprehensive documentation and analysis of the City's existing built facilities. This analysis will be utilized for prioritizing capital improvements and maintenance requirements, as well as assisting with allocating operating budgets and potentially establishing sinking funds and on-going maintenance schedules.

Prospective firms will be required to provide team qualification, proposed work plans, proposed schedule, and other related items as part of the proposal submittal (Section V). The deadline for submitting proposals is 4:00PM on October 2, 2017.

III. SCOPE OF WORK

The City is requesting proposals from qualified consultants for comprehensive FCNA services. Required services shall include, but are not limited to:

1. Identify and document current conditions of all existing City-owned structures (Exhibit A), including the structural integrity, physical state of each building, and compliance with modern building codes.
2. Assess and identify whether each of the buildings are serving their intended role, and if they are under or over-utilized in their current capacity.
3. Assess the ability of each building to serve current needs, including, its ability to accommodate the number of employees housed in each facility, and identify if the building is meeting the overall needs of the City.
4. Identify the replacement and/or renovation costs of each building, and make recommendations as to which (if any) buildings should be renovated, replaced, relocated, etc., as needed. Recommend alternative locations and/or civic facility recombination as necessary.
5. Provide current market values of City-owned properties based on current zoning and best use.
6. Recommend corrections for all deficiencies.
7. Provide a suggested priority list and/or timeline for accommodating the recommended replacement and/or reconstruction work.
8. Provide cost estimates for corrections, replacement, and/or reconstruction work for each of these facilities.
9. Forecast future facility renewal/reconstruction costs.
10. Provide an assessment of maintenance efforts to- date versus industry standards. Also, provide preventative maintenance recommendations, to include minimum standards of day-to-day upkeep and their associated costs based on industry standards (including but not limited to: on-going building maintenance, equipment replacement, janitorial needs and staffing, basic cleaning/deep cleaning, paint, flooring replacement, lighting replacement, etc.)

Consultant will meet with City staff to identify all reliable sources of existing data such as facility inventory lists, plans, maps, studies, etc. Where applicable, existing studies and reports will be provided to the consultant for incorporation into the FCNA and final report.

The types of building systems surveyed may vary with each building and shall include, but are not limited to, the following systems:

1. **SITE |** topography, drainage, access/egress, paving, curbing, parking, flatwork, utilities
2. **EXTERIOR SYSTEMS |** foundation, roofs, walls, window systems, exterior doors, civil/structural components
3. **INTERIOR SYSTEMS |** walls, doors, flooring, ceiling, hardware, lighting, architectural components
4. **FIRE/LIFE SAFETY ISSUES |** including hazards, alarms, and fire escapes
5. **HEATING, VENTILATION, AND AIR CONDITIONING** | including controls and terminal units
6. **ELECTRICAL** | including internal electrical distribution and back-up generators
7. **PLUMBING SYSTEMS |** fixtures, supply, storm and sanitary sewer drainage, valving, irrigation
8. **FIRE PROTECTION**
9. **SPECIALIZED CONSTRUCTION AND OUTBUILDINGS**
10. **SPECIALIZED EQUIPMENT AND SYSTEMS**
11. **ELEVATOR SYSTEMS**

Consultant is expected to generally address observed seismic deficiencies and general hazardous materials (lead, asbestos, etc.) conditions and or concerning environmental considerations, based on known/assumed age and type of facility construction for each facility. Specialized destructive seismic testing or hazardous material sampling/testing is not in the scope of proposed FCA.

The consultant shall inspect all identified facilities to produce an accurate analysis that identifies all components and elements requiring maintenance, repair, and/or major capital investment. It is anticipated that the consultant team will be an interdisciplinary team (potentially involving multiple firms) likely to include a California licensed Civil/Structural Engineer, Mechanical Engineer, Electrical Engineer, and Architect, as appropriate. The consultant will thoroughly examine building systems using non-destructive, on-site observations to compile a complete understanding of current conditions and Department needs for each facility. Consultant will ensure that the inspection staff has the appropriate training and equipment to record and produce consistent and accurate data.

INSPECTIONS

The method of the inspection process shall allow for a comprehensive inspection of observable systems, while utilizing input from City staff to complement the assessment of current conditions with details of the facilities' background. This will be augmented with information provided by City staff regarding the current and projected uses of each facility, the current and projected staffing levels for each facility and any known deficiencies currently affecting these needs.

At a minimum, inspectors shall gather the following information on each property:

1. **PROPERTY CHARACTERISTICS |** An inventory of all building systems with each system component quantified as a count, an area, a length, and/or a height; whichever measurement is most appropriate for each system. Confirmation/validation of building area (square footage) shall be obtained during inspection.

2. **AGE |** Identification/approximation of the year each system component was installed.

3. **CURRENT CONDITION |** An assessment of the current condition of each system component and a determination of the level of repair necessary to restore or replace these components to achieve optimal condition.

4. **FACILITY NEEDS |** A summary of how each facility is being utilized, identifying whether it is over- or under-utilized and an analysis regarding the suitability of the facility to its current use.

For purpose of consistency, system components shall be defined along with a standard list of repairs and action levels for inspectors to choose from in rating each system condition. Action level recommendations and timelines shall be defined for individual components. Standard definitions and systems of actions are intended to provide a more accurate assessment of facilities.

FORMAT

The consultant shall have a thorough understanding knowledge of ASTM Designation E2018, Standard Guide for Property Condition Assessments:

Baseline Property Condition Assessment Process, for each subject of the FCNA (identified in Exhibit A). Format, including individual and summary reports, shall be confirmed by City and consultant prior to commencing assessments. Once format is confirmed, City will require a pilot FCNA be conducted on a facility of its choosing to confirm FCNA deliverable format individually and in summary. Once pilot FCNA format and accuracy is confirmed by the City's project manager, the remainder of the FCNA for each facility in the project will be given authorization to proceed. Hard copy and digital deliverables will be required.

IV. SCHEDULE

Responses to the RFP must be submitted to the City of St. Helena as outlined in this section.

Responses are due no later than
October 2, 2017 at 4:00 PM
Responses received after this date and time will not be considered.

PROPOSED SCHEDULE FOR THE REVIEW AND SELECTION PROCESS AND EXPECTED TIMELINES FOR DELIVERABLES

MILESTONE	DAY/DATE	TIME
Release RFP	August 31, 2017	9:00AM
Question submittal deadline	September 11, 2017	4:00PM
Questions posted on City website (cityofsthelena.org/publicworks)	September 18, 2017	5:00PM
Proposal Due Date	October 2, 2017	4:00PM
Review and scoring of submittals	October 4, 2017	9:00AM
Interviews w/finalists	Day, Month, Date, 2017	9:00AM
Award of Contract	October 10 or 24, 2017	9:00AM
Execute Contract and Notice to Proceed	October 11, or 25,	9:00AM

	2017	
Kickoff Meeting	October 30, 2017	9:00AM
Pilot Building FCNA due	December 15, 2017	9:00AM
Draft FCNA due for comment	December 29, 2017	9:00AM
Final draft due	January 29, 2018	4:00PM

The schedule may be modified and/or extended if necessary.

V. PROPOSAL REQUIREMENTS AND FORMAT

If interested in this RFP, please notify Christina Cook by email at ccook@cityofsthelena.org so you may be added to the notification list for addendums. Failure to notify Ms. Cook could result in missing important and required information, and could result in disqualification.

All submittals must follow the format described in this section. Respondents are encouraged to submit clear and concise responses to the RFP. The City of St. Helena reserves the right to include or exclude any part of the submittals in the final agreement with the selected consultant.

Four (4) bound copies of the submittal, one (1) unbound, reproducible copy, and one CD (or other digital medium) containing a PDF copy must be submitted. Each submittal shall contain no more than 20 double-sided 8½" x 11" pages (not counting dividers, exhibits, and any relevant appendices). Font shall be no less than 10pt. All pages shall be numbered. Drawings provided with the submittal shall not exceed 11" x 17."

To be considered for selection, submittals must arrive at the location shown below by the date and time specified in Section IV. Proposers who mail packages should allow ample delivery time to ensure timely arrival.

Submittals shall be placed in a clearly marked envelope, titled Facilities Condition & Needs Assessment and hand-delivered or mailed to:

City of St. Helena
Office of the City Clerk
Attention: Cindy Black
1480 Main Street
St. Helena, CA 94574

It is the sole responsibility of the Proposer to ensure timely delivery. Late proposals shall not be considered. Proposals will not be accepted at any other location other than the address specified above. Faxed or emailed proposals will not be accepted.

Submittals must include the following components in the order listed below:

Part 1: Cover Letter/Executive Summary (5 points)
Part 2: Experience and Qualifications of Consultant/Team Members (30 points)
Part 3: Understanding of Project Scope (25 points)
Part 4: Commitment to Project Budget & Detailed Work Plan (20 points)
Part 5: Delivery Schedule and Timeline (15 points)
Part 6: Reference Review (5 points) Total Possible: 100 points

PART 1 | COVER LETTER/EXECUTIVE SUMMARY (5 POINTS)
In no more than three (3) pages, the Cover Letter and Executive Summary shall include:

1. The names of the key members of the consultant team.
2. The mailing address, telephone number, and the name of the main point of contact for the consultant team.
3. A summary of the consultant's Facility Condition Assessment experience and qualifications and the significant advantages to selecting the consultant.
4. The name and title of the representative(s) that attended the mandatory pre- proposal meeting.
5. An acknowledgement of receiving any addendum(s) to the RFP document sent out by the City.

PART 2 | EXPERIENCE AND QUALIFICATIONS OF CONSULTANT/TEAM MEMBERS (30 POINTS)
Provide detail relating to the experience and qualifications of the members of the team, including an organizational chart showing all key personnel who will be assigned to this project. Submit brief resumes demonstrating the training, experience, and other qualifications of the key personnel who will be assigned to this project.

Consultant should further document expertise by including the information regarding the following:

1. Facility and Property Condition Assessments to include applicable facility inventory use, type, and area (square feet).
2. Experience of proposed consultant team working together as a team on similar scope and type of projects.
3. Understanding of operations, activities, staffing needs and maintenance of public facilities.
4. Experience with the use of life-cycle cost and value engineering.
5. Any other information that would assist the review team in understanding the consultant team's capacity to efficiently and effectively complete the project.

PART 3 | UNDERSTANDING OF PROJECT SCOPE & DETAILED WORK PLAN (25 POINTS)

Each respondent shall demonstrate its capacity to deliver comprehensive, professional, FCNA services. Respondent should outline methodology and logistics capable of meeting the goals outlined in the FCNA scope, as well as provide a proposed work plan for development and implementation of the FCNA as described in the scope of work. Respondents should draw from previous experience and demonstrated competence to articulate how their capabilities are distinct, comprehensive, and add value. Examples of report format (formal hard copy and digital deliverables) are recommended.

PART 4 | COMMITMENT TO PROJECT BUDGET (20 POINTS)

Consultant shall provide a total base fee for the project. Each responding consultant shall include an acknowledgement that it can effectively complete this project within the budget indicated. Each respondent should clearly explain in this section the methods and process it will use to insure the project is within budget and that the City will be getting the best value within the budgeted amount. Information in this section shall include cost per square foot for additional facilities during the course of the project and an hourly fee schedule shall be submitted for each proposer and any sub-consultants.

PART 5 | DELIVERY SCHEDULE AND TIMELINE (15 POINTS)

Discuss in this section the steps the consultant team proposes to use. Clearly outline the delivery schedule and timeline of each component of the project. Specific dates should be used assuming an award to this RFP and an executed agreement in October 2017. Consultant shall be prepared to begin work within two (2) weeks of the Notice to Proceed. Completion of this assessment in a timely fashion will be a factor in scoring this section. Firms whom can commit to an accelerated completion schedule may be given additional deference in the selection process. Indicate in the proposed scheduling the necessary involvement and various decision points required of the City. A Gantt chart or schematic representation of the delivery timeline with pertinent milestones and events is required in this section.

PART 6 | REFERENCE REVIEW (5 POINTS)

The review team will conduct a background reference review of each respondent. Please include the following information for three (3) projects that the proposed consultant team worked on together:

- Name of the Project/Study
- Location of the Project
- Name, title, and contact information for the client
- Project Budget
- Date of Completion of the Project

VI. PROPOSAL TERMS AND CONDITIONS

1. EXAMINATION OF PROPOSAL MATERIALS

The submission of a proposal shall be deemed a representation and warranty by the proponent that it has investigated all aspects of the RFP, that it is aware of the applicable facts pertaining to the RFP process and its procedures and requirements, and that it has read and understands the RFP. No request for modification of the provisions of the proposal shall be considered after its submission on the grounds the proponent was not fully informed as to any fact or condition.

2. ADDENDA INTERPRETATIONS

If it becomes necessary to revise any part of this RFP, a written addendum will be provided to each firm that requested and/or received a copy of this RFP, and said addenda will be uploaded to the City website. The City of St. Helena is not bound by any oral representations, clarifications, or changes made in the RFP by the City or its agents, unless such clarifications or change is provided in written addendum from the City of St. Helena.

3. DESIGNATED CONTACT

For the purposes of this RFP, the City's designated Project Manager is Erica Ahmann Smithies, Director of Public Works/City Engineer. Any questions concerning the scope of work and the selection process shall be directed to Ms. Ahmann Smithies, at esmithies@cityofsthelena.org. Any and all questions and responses concerning this RFP will only be accepted in writing, via email. All questions must be received by September 11, 2017 by 4:00PM.

Responses to questions will be posted on the City's website, cityofsthelena.org/publicworks, and will become part of the RFP. It is the consultant's responsibility to check the website for updates.

4. PUBLIC RECORDS

This RFP document and all submittals in response thereto are public records. Prospective consultants are cautioned to include any material into the proposal that is strictly proprietary in nature.

5. PROPOSAL COSTS

All costs associated with the preparation of RFP submittals shall be borne by the respondent. This RFP does not constitute any form of offer to contract.

6. RESERVATION OF RIGHTS

The City reserves the right, for any reason, to accept or reject any one or more proposals; to negotiate the terms and specifications of the proposal; to modify any part of the RFP; or issue a new RFP.

7. PRODUCT OWNERSHIP

Any documents resulting from the contract will be the property of the City.

8. PROFESSIONAL SERVICES AGREEMENT

All Proposers must identify in their proposal any terms and conditions of the sample Professional Service Agreement (Exhibit B) that they wish to negotiate. Liability insurance is required as outlined in Section 7 of the sample agreement.

9. CAUSES FOR DISQUALIFICATION

Any of the following may be considered cause to disqualify a proponent without further consideration:

- Evidence of collusion among proponents;
- Any attempt to improperly influence any member of the evaluation panel;
- A proponent's default in any operation of a professional services agreement which resulted in termination of that agreement; and/or

- Existence of any lawsuit, unresolved contractual claim, or dispute between proponent and the City.

EXHIBIT A—CITY OF ST. HELENA FACILITY INVENTORY INDEX

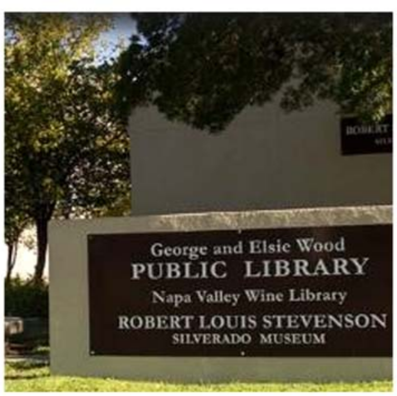
All City-owned facilities to be included in the Facilities Condition Assessment:

CITY HALL/POLICE STATION (INCLUDING LYMAN PARK)
1480 MAIN STREET

St. Helena City Hall and the St. Helena Police Department are located in the same building, which is attached to Lyman Park. City Hall houses the following Departments: City Manager, City Clerk, Planning, Building, Finance, and Public Works Administrative Staff. Twenty employees currently work out of the City Hall side. The Police Department consists of both Dispatch and Patrol Divisions. It houses five full-time and two part-time dispatchers, one community service officer, one reserve officer, eleven police officers, as well as a Police Chief. The Station also contains two holding cells, one full locker room for male officers, and one makeshift locker room for female officers.

FIRE STATION
1480 MAIN STREET

The St. Helena Fire Station includes a reception lobby, four offices, full commercial kitchen, radio room, training room, three dorm rooms, a museum, and an apparatus bay, which houses several fire apparatus. The Fire Station currently hosts both the Human Resources and Fire Departments. Human Resources consists of two full-time employees, while the Fire Department consists of one full-time administrative employee, one part-time Fire Chief, one part-time Fire Marshal, and up to thirty part-time firefighters. The station is not staffed full-time, and personnel do not live or sleep in quarters.



ST. HELENA PUBLIC LIBRARY
1492 LIBRARY LANE

The St. Helena Public Library houses six full-time and eight part-time employees. It hosts over 500 programs a year, including story time and crafts for children, presentations, and a variety of community events. Internet access is provided through 18 public computers and a wireless network. All services and programs are free. The Library receives over 114,000 visitors annually.

PUBLIC WORKS' CORPORATION YARD
1405 CHARTER OAK AVENUE

The St. Helena Public Works' Corporation Yard is home to the Public Works Field Staff. It currently houses two temporary trailers, which contain a total of four offices as well as a breakroom/meeting room. Twelve full-time staff work from the yard. The shop and equipment bays are used to store and protect equipment from the elements, repair fleet vehicles, store supplies, and serve as a workshop. Additionally, there are two large storage containers utilized for storage of janitorial supplies as well as overflow for city records.

SCOUT HALL
1530 RAILROAD AVENUE

The historical (?) "Scout Hall" building is owned by the City of St. Helena and serves as a meeting room for both the Boy and Girl Scouts of America. The facility is also used for the Scouts' storage needs.

FORMER CDF OFFICE BUILDING
1572 RAILROAD AVENUE

The building located at 1572 Railroad Avenue is owned by the City of St. Helena and is currently leased to a health group, and is used for medical administration offices. Do we have any additional info?

CARNEGIE BUILDLING
1360 OAK AVENUE

The historically registered St. Helena Carnegie Building, originally built as a Carnegie Library, has been used as a recreation center for the City since 1978. The building houses the office of the Recreation Director, hard-floored classroom, carpeted great room/classroom, and meeting room. The building is primarily used for community recreation classes, and is also available for private class rentals, public rentals, and community meetings.

TEEN CENTER
1574 RAILROAD AVENUE

The St. Helena Teen Center houses a free after-school program for middle school students, and in the summer the space is utilized for summer camps run by the Recreation Department. The Teen Center property consists of a main building, garage, and auxiliary building. The property also serves as additional office space and storage for the recreation department.

HEAD START BUILDLING
360 CRANE AVENUE

The Head Start building at Crane Park is utilized for eight weeks of summer day camp each summer, consisting of approximately ten seasonal employees and thirty campers. The building is available for class space and public rental throughout the remainder of the year.

SIGNORELLI BARN
933 Signorelli Circle

Also known as Meily Barn, the roughly 125 year old historical barn is currently used for storage, and is not structurally sound. It is hoped the barn will be structurally reinforced and made suitable for public use in the future.

EXHIBIT A – CITY OF ST. HELENA FACILITY INVENTORY INDEX

All City-owned facilities to be included in the Facilities Condition & Needs Assessment:

FACILITY	ADDRESS	APPROXIMATE SQUARE FOOTAGE		FLOORS	# OF EMPLOYEES
CITY HALL/POLICE STATION	1480 Main Street	11,411	TOTAL: 52,411	1	39 full-time, 2 part-time
LYMAN PARK		41,000		N/A	
FIRE STATION	1500 Main Street	19,550		1	3 full-time, 30 part-time
ST. HELENA LIBRARY	1492 Library Lane	14,445		2	6 full-time, 8 part-time
PUBLIC WORKS' CORPORATION YARD	1405 Charter Oak Avenue	2,100		1	12 full-time
SCOUT HALL	1530 Railroad Avenue	1,700		2	N/A
CITY-OWNED LEASED BUILDLING	1572 Railroad Avenue	4,224		1	N/A
CARNEGIE BUILDING	1360 Oak Avenue	6,327		3	1 full-time
TEEN CENTER	1574 Railroad Avenue	3,180		1	1 full-time
HEAD START BUILDING	360 Crane Avenue	1,681		1	10 part-time
SIGNORELLI BARN	933 Signorelli Circle	2,226		1	N/A
FIRE STATION 2	1025 Dowdell Ln	950		1	4 Part-Time
		67,794 (does not include Lyman Park)			